
Toward Eliminating Urban Poverty **Seminar Series**

organized by
**USAID's Office of Urban Programs
Bureau for Economic Growth, Agriculture, and Trade**

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From the Director...

The trend in urbanization throughout the developing world poses both a threat and an opportunity for the prosperity of these nations. With creative vision and capable management, cities can become strong, vibrant economies that encourage local enterprise, serve the needs of citizens and promote stable employment. Cities that work, ensure that economic development helps to increase public well being and social equity, and does not endanger the natural environment.

Economic development efforts need to target the elimination of urban poverty, reducing the vulnerability of families to natural and man-made disasters, and insuring access by all communities to adequate and affordable basic services, education, healthcare, transportation, land and housing.

The strategy for USAID's Office of Urban Programs is realized by enabling the poor to participate in and benefit from the urban development process. Our objective is to develop the capacity and mobilize resources of cities to manage pro-poor urban development and regional growth. We enable them to prepare for urban growth, generate revenues, increase their capacity to address local concerns, and respond to the needs of poor people and their communities. While each town, city and region has unique challenges and opportunities, there are commonalities that allow for a collaborative approach to promote investment, economic vitality and good governance within cities, in partnership with their neighbors in the larger region.

Cities need a vision and strategy for economic development. Visioning, planning and implementation efforts must be broad-based, including civil society, the private sector and those traditionally left out of the public planning process. With committed leaders and qualified managers at their helm, cities and towns can become the engines of economic growth that transform their nations.

The Office offers this volume of seminars as a compendium of ideas and best practices which exemplify collaborative approaches that improve the prospects of the urban poor and their communities, enabling them to become healthy, productive participants of their economic development.

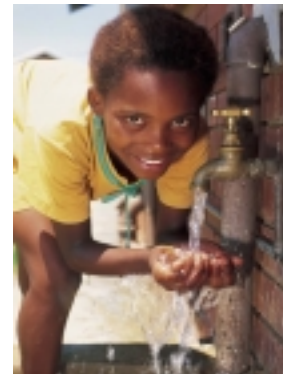
David Painter
Director
Office of Urban Programs
Bureau for Economic Growth, Agriculture and Trade
USAID

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Foreword: TOWARD ELIMINATING URBAN POVERTY

As the role of cities becomes increasingly important to developing nations determined to reverse years of economic insecurity and global inconsequentiality, the traditional biases to national economic growth are being tempered toward a more practicable understanding of the synergies between the key economic contributors. In an era where the majority of people will agglomerate in cities and towns of the developing world, the productive engine that *is* the city, is in jeopardy of being diminished to a level of incompetence that will defeat the advantages offered by urban economies of scale. We have long recognized that cities provide exceptional opportunities for free enterprise, creativity, and the generation of wealth – but a host of intractable problems often accompanies rapid urban growth – high rates of unemployment and underemployment as urban labor markets are unable to absorb the expanding number of job seekers, escalating urban poverty, insufficient shelter, inadequate sanitation, inadequate or polluted water supplies, precarious settlements, serious air pollution and other forms of environmental degradation, congested streets, overburdened public transportation systems, unfunded municipal mandates and fiscal crises.



The facility to harness the productive energy of urban areas while reducing the negative aspects of urbanization can only be accomplished through capable governance systems, committed to participatory planning and transparent, disciplined implementation of policy frameworks which are responsive to the needs of its citizens, particularly the most vulnerable amongst them. It is the onus of national and local governments to maximize the economic efficiency of urban areas; to reduce urban poverty; to improve quality of life; and, achieve sustainable urban development. There is a general consensus, though, amongst city development advocates, that a major impediment to efficient and effective local action is inadequate institutional capacity. This lack of capacity brings about an endemic lack of access by both those who govern and those they serve. The challenge remains strengthening the capability of responsible institutions to manage their obligations resourcefully and to be responsive to the people for whom they work.

To advance the city's contribution to sustainable economic growth, USAID's urban development agenda focuses primarily on strengthening local capacity to forecast and respond to urban challenges that thwart development gains. The Office of Urban Programs engages unique programs that promote:

- ✓ **Reduced urban poverty** through strategic local economic development stimuli;
- ✓ Participatory, responsive and **competent urban governance**;
- ✓ Efficient and effective **urban environmental management**;
- ✓ **Vibrant urban enterprises** to sustain rural economies and attract trade and investment;
- ✓ **Increased access by the urban poor**, to land, clean water, sanitation and public services;
- ✓ **Improved health and life prospects** of the urban poor, particularly women and children;
- ✓ **Urban conflict prevention** through strategic interventions with and for unemployed urban youth;
- ✓ Implementation of locally formulated **City Development Strategies**.

The “*Toward Eliminating Urban Poverty Seminar Series*” is presented by USAID's Office of Urban Programs as part of its knowledge-sharing mandate to convene development experts from a wide

array of disciplines and sectors who have incorporated an urban dimension to their work, and who have learned valuable lessons which can be incorporated in programs across other sectors. Central to these programs of course, are the urban poor, who are growing in numbers and whose lives can be markedly improved through appropriate approaches to development assistance. Such approaches place the vulnerable at the center and, in so doing, aim to make city dwelling by the poor sustainable.

This volume contains the edited proceedings of the seminars that were held at USAID in Washington, DC during summer 2002.

Marc Weiss' *"Productive Cities and Metropolitan Economic Strategy"* addresses how to make cities more productive, and particularly how to do so in ways that expand jobs and business opportunities, increase incomes, and improve quality of life for low-income families and communities. Such an approach requires viewing cities in their metropolitan regional context, and creating cooperative, pro-active growth strategies that connect and unite the public, private, and civic sectors across the urban landscape. It also depends on including poverty populations and settlements in creating their own prosperity, by treating them not as liabilities, but as human and physical assets to be mobilized for production, income and job generation, and wealth creation, as well as involving them in investment decision-making to ensure an equitable distribution of resources, infrastructure, services, incomes, wealth, quality of life, and economic opportunities.

The Indian Census 2000, the urban outcome, and the implications for urban governance, provides the background for **K.C. Sivaramakrishnan's** presentation on *"Investing in Municipal Leadership."* Eloquently analyzed were the results of the recent local elections, the new crop of Mayors and Municipal Chairs, and the continuing efforts of higher level governments to cut them down to size and what needs to be done to help the emerging municipal leadership to move towards better municipal performance as part of a better political future.

Dr. Christopher McGahey in his seminar on *"Environmental Health Strategies for Cities in the Developing World: Case Study DRC,"* highlights the efforts among USAID/DRC, USAID's Regional Urban Development Office for Africa, and the Environmental Health Project (EHP) to implement an urban environmental health activity through the local office of a global NGO. The activity works toward improving sanitary conditions and hygiene behaviors related to diarrhea reduction in public markets in Kinshasa, Democratic Republic of Congo. While most similar projects simply remove solid waste or promote sorting and recycling, this project went in a different direction adapting proven community-based approaches to this challenging environment. This presentation covers the implementation, impact measurement, and the significance of the activity for programming to cost-effectively address environmental health issues in densely populated urban areas.

Charles Setchell, Urban Planning and Urban Disaster Mitigation Specialist, Office of Foreign Disaster Assistance/USAID contributes, *"Disaster Response and Mitigation in African Cities: The Case of Goma"* a seminar covering the devastation and subsequent response to the volcanic eruption in Goma, a city of 450,000 people located in the Democratic Republic of the Congo (DRC). The USAID Office of Foreign Disaster Assistance (OFDA) responded with nearly \$5 million in disaster assistance, including support for a \$2.3 million transitional shelter project for 5,000 households. The presentation gives an update on the shelter effort, provides an overview of the many economic benefits realized as a result of that effort, and argues the important project links to the larger issues of hazard mitigation and economic regeneration. The case serves as an example of OFDA's current efforts to promote "developmental relief" in African cities by linking disaster response and mitigation to economic development.

James Garrett of the **International Food Policy Research Institute**, in his seminar *"Livelihoods, Hunger, and Malnutrition in the City: Challenges and Options for the Urban Poor,"* reminds us that by 2025, over half the population in Asia and Africa will live in urban areas, as will more than eighty percent of those in Latin America. Country experiences indicate that this increased urbanization is often accompanied by growth in urban poverty, food insecurity, and malnutrition. The rural people who migrate to the cities seeking to improve their lives instead find poverty and squalor – conditions they

share with the growing population of settled urban residents. Rampant violence, flimsy housing, and filthy living conditions, along with hunger and malnutrition, are the daily lot for more and more people as cities grow. Relatively little is known about urban livelihoods and the determinants of urban food insecurity and malnutrition; development agencies often have more experience with rural areas. It is clear, however, that the causes of livelihood insecurity, hunger, and malnutrition, and the actors that affect them, are more diverse and complex in urban settings than in rural ones. Urban settings, such as a greater percentage of women working outside the home and problems with insecure land tenure, also provide unique challenges to programming. In 1996 the International Food Policy Research Institute (IFPRI) initiated a research program to shed light on poverty, hunger, and malnutrition in urban areas. The program has carried out studies in a number of cities in Africa, Asia, and Latin America. This presentation will review findings from that program. It will note trends in urban poverty and malnutrition, highlight major aspects of and challenges to livelihoods, food security, and nutrition in cities, and present some lessons learned from successful urban programs.

The Ouagadougou Urban Health and Equity Initiative is preparing to conduct a controlled trial to measure the impact of a low cost community health intervention on infant and child mortality and other health indicators in target urban communities. Apart from documenting the impact of the intervention on health outcomes, the Initiative will develop, implement and document the effectiveness of strategies that address several problems characteristic of many urban settings: a) how to mobilise heterogeneous and often divided urban neighbourhoods for effective health promotion; b) how to make the most cost-effective use of outreach in an urban setting; c) how to strengthen the quality and accessibility of popular private health services; d) without major additional investments, how to make best use of the large number of existing public health facilities and staff to provide key, life saving services; and e) how to provide for demographic surveillance of a mobile urban population. In the “*Children in the City: The Case of Ouagadougou*” seminar, **Drs. Gabriel Pictet and Julia Dayton** discuss findings from preliminary studies that assess the health of children in Ouagadougou, with a focus on differences between slum and zoned parts of the city and by socio-economic status. They also discuss how these findings are helping to shape the design the health intervention described above.

We hear from **Dr. Siddharth Agarwal, Director, EHP/India’s Urban Health Program**, in the seminar on “*Improving the Health of Children Living in Urban Slums*” that one of every four Indian citizens is now living in an urban area. Many live in slums or illegal squatter settlements without basic infrastructure and public services, and are currently defined as “poor” or “very poor.” Recent studies have shown that the health of the urban poor is as bad as, or worse than that of their rural counterparts. As a result, there are thousands of unnecessary maternal, child and adult deaths, and millions of days of disability and productivity lost each year. USAID/India has declared its commitment to addressing the needs of the urban poor. EHP has been asked to lead the implementation of a five year program to address the most critical health needs of children living in urban slums and to work with key partners to raise awareness and mobilize resources in favor of improving urban slum health conditions. The goal of the Urban Health Program was established as improving the health of the slum dwelling urban poor in selected areas of India. The action plan calls for a city-based program whose initial interventions aim at improving neonatal survival and reducing diarrheal disease in small children, as well as pro-poor advocacy targeting national and municipal government. Dr. Agarwal presents the outcome of initial efforts at addressing the challenges of working in a mid-sized growing city in central India through a participatory process with all urban health stakeholders.

The growth of large cities in the developing world is accompanied by an upsurge in urban poverty. National and local authorities are ill prepared to manage urban development in favor of the poor, who usually take up illegal residence on the periphery of the city. In some cities, between fifty and seventy percent of the population lives in slums without basic services, secure tenure and formal employment. Vulnerable to hazards, as their shanties can be destroyed instantly. The poor are exposed to higher incidence of disease and HIV/AIDS. Neglected by formal institutions, urban slum dwellers are often left unprotected against corrupt officials, unscrupulous slumlords, drug dealers, and organized crime. Concerned about the urbanization of poverty, world leaders committed themselves in 2000 to the Millennium Declaration goal of improving the lives of 100 million slum dwellers by 2020. In the final seminar of the 2002 series, “*100 Million Slum Dwellers: The Road to 2020*,” **William Cobbett**, the

Senior Upgrading Advisor of **The Cities Alliance** covers the progress achieved by the Alliance as well as ongoing international efforts to meet the ‘Cities Without Slums’ Millennium Development Target.

The single most important message conveyed by the 2002 series of seminars was that if developing world cities are not supported in their pursuit of betterment, their ability to enable their rural economies, improve the life prospects of their poor, attract critical trade and investment, and spur employment opportunities will be diluted. Cities that fail have implications for entire nations.

The series will be convened in 2003 by the Woodrow Wilson Center’s Comparative Urban Studies Project (CUSP). The CUSP seminars will advance the recognition of the economic importance of cities and their strategic development paradigm, and will highlight models of good governance, social inclusion, and strategic and participatory planning.

Marcia Urquhart Glenn
Regional Environmental Planning Specialist
USAID, Office of Urban Programs
Co-ordinator “Toward Eliminating Urban Poverty” Seminar Series

PRODUCTIVE CITIES AND METROPOLITAN ECONOMIC STRATEGY

Dr. Marc A. Weiss, Chairman
Prague Institute for Global Urban Development

In the 21st century the world has become urban, with the majority of the global population living in cities and towns. The fastest rates of urbanization are now taking place in developing countries, where average incomes are the lowest. This means that poverty, historically a rural phenomenon, is becoming an increasingly urban issue, in both the developed and the developing world. At the same time, cities and metropolitan areas are the main generators of economic prosperity, and thus are best positioned to contribute toward the elimination of poverty.

This paper addresses how to make cities more productive, and particularly how to do so in ways that expand jobs and business opportunities, increase incomes, and improve quality of life for low-income families and communities. Such an approach requires viewing cities in their metropolitan regional context, and creating cooperative, pro-active growth strategies that connect and unite the public, private, and civic sectors across the urban landscape. It also depends on including poverty populations and settlements in creating their own prosperity, by treating them not as liabilities, but as human and physical assets to be mobilized for production, income and job generation, and wealth creation, as well as involving them in investment decision-making to ensure an equitable distribution of resources, infrastructure, services, incomes, wealth, quality of life, and economic opportunities.

Traditional poverty alleviation strategies focus on the manifestations of poverty itself. They seek ways to feed, clothe and house poor people. They try to find ways to deliver health care and other services with strained resources. Metropolitan Economic Strategy, on the other hand, addresses the root causes of poverty in a manner that empowers low-income people, and directly engages their own energies in altering their life circumstances, improving the surrounding environment, and contributing to the overall productivity of the region and nation.

A quote from a 1999 speech by World Bank President James Wolfensohn nicely underscores the fundamentals of this strategic approach: “I had the pleasure of visiting Johannesburg last week....[They]....have decided that what they need to do is to have a comprehensive approach to the development of the city. They are looking not just at handouts, not just at the issue of having to provide services to people in poverty. They recognize that the only way you can deal with issues of urban development is on a comprehensive basis. Their plans are quite remarkable, and they are drawing on experience from the outside. They are looking at these townships and the issue of poverty in a way that is optimistic. They are seeking to enfranchise the people. The issue there is not looking at the poor with pity but as part of the solution.”

The rapidly rising degree of worldwide urbanization has led to a growing recognition that cities and their surrounding urban regions play a vital role in national economic life. Indeed, the basic premise of Dr. Weiss’ work on Metropolitan Economic Strategy – including the book he is co-authoring with former U.S. Housing and Urban Development Secretary Henry G. Cisneros entitled *Teamwork: How Cities and Suburbs Develop Metropolitan Economic Strategies to Innovate and Prosper in the Global Marketplace* – is that cities and the metropolis – urban regions – are the fundamental building blocks of prosperity and quality of life, both for the nation and for families and communities.

In countries all over the world, national economic competitiveness in the international marketplace is highly dependent on urban regions, which are the key centers of productivity and innovation. This is increasingly so in the so-called New Economy that is knowledge and information-based, technology and

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communications-intensive, and globally oriented. Industrial and commercial activities in cities now account for between 50 and 80 percent of the Gross Domestic Product (GDP) in most countries of the world, and the proportionate value of economic output generated by urban areas is often much larger in percentage terms than the urban share of the total national population. For example, the United States population is 80 percent urbanized, and metropolitan regions account for as much as 93 percent of the nation's total employment, incomes, production of goods and services, exports, and technology development.

The city of Prague is the main economic engine for the Czech Republic: it has one-tenth of the national population, yet generates more than one-fifth of the nation's GDP. Prague has an unemployment rate of three percent, much lower than the national jobless rate of nine percent. Similarly, the city of Budapest has 18 percent of Hungary's population, yet generates 35 percent of its GDP and 60 percent of Foreign Direct Investment (FDI). Warsaw has a two percent jobless rate versus 11 percent for all of Poland. Bangkok has 12 percent of Thailand's population and contributes 38 percent of its GDP, while Shanghai has seven percent of China's population and contributes 12 percent of its GDP. Lima generates 44 percent of Peru's GDP, Sao Paulo generates 37 percent of Brazil's GDP, Manila generates 25 percent of the Philippines' GDP, and Karachi generates 18 percent of Pakistan's GDP.

The vital economic contribution of urban regions is anchored by the major cities they encompass, which provide the constant stream of creative activity, interaction, specialization, and diversity that is essential for innovative ideas, methods, and products to develop and thrive. In the global economy of the 21st century, cities function primarily in seven distinct and essential ways to generate regional and national prosperity. They are:

- centers of innovation and services, including advanced and highly specialized services
- centers of culture, sports, entertainment, conventions, and tourism
- centers of education, research, and health care
- centers of transportation and trade
- centers of manufacturing and technology development
- market centers
- workforce centers.

Individual communities, including cities, towns, and suburbs, can thrive only as an integrated part of a larger metropolitan economic dynamic, with the entire region becoming a center of advanced innovation and technological excellence in the production and distribution of various goods and services. The competitive advantage of a metropolitan region comes from successfully mixing highly skilled and high-value specialization together with economic and social diversity, and by strategically investing in, improving, and sustainably utilizing the region's fundamental assets – its physical, financial, and human capital. Metropolitan Economic Strategy is the essential mechanism for accomplishing this, and for creating and strengthening a cooperative regional identity. By emphasizing the interwoven economic destinies that bridge across families and communities within metropolitan regions, people can begin to see themselves as “citizens of a regional economy” – players on the economic “home team” competing with other regional economic teams all over the world. Creating this common regional identity is vital for enabling and encouraging everyone to work together for a better collective future based on a sense of shared interests.

Metropolitan regions are the most economically organic components of local geography and demography affecting people's daily lives. They are the main access points for individuals trying to thrive in the global economy. Yet the greatest barrier to regional coordination, cooperation, and collaboration is the lack of a common regional consciousness and citizenship. This is especially true in rapidly urbanizing developing countries where many urban dwellers have only just moved from their former villages and small towns. Therefore, policies which promote regional identity and “teamwork” by encouraging households and families to begin reaching beyond local political boundaries in pursuit of their common goals – increasing prosperity and enhancing quality of life – are essential for individual and collective success.

Metropolitan Economic Strategy is not the same as uncoordinated regional economic growth or decline. Even if a region is growing, it may be missing significant opportunities to enhance competitiveness and to generate prosperity and quality of life because there is no explicit guiding vision or overall coordinated strategy. Every metropolitan region experiences economic growth or decline, regardless of whether or not there are comprehensive plans and initiatives. Indeed, lack of such coordinated efforts is often a key factor contributing directly to economic decline, such as when infrastructure subsidies promote suburban sprawl and overbuilding, thus depleting the inner city areas of jobs, population, and vitality. Metropolitan regions function as fully integrated economies in terms of the production and distribution of goods and services, and they will function as such with or without a coherent economic strategy. A critical determinant of their success is the decision-making process of private sector executives, investors, entrepreneurs, and consultants making facility location commitments in the global marketplace. Such decisions are made on the basis of the synergy and attractiveness of metropolitan regions as centers of innovation that can provide businesses with a competitive advantage.

Unfortunately, regional economic growth most often occurs in an uncoordinated and haphazard fashion, and consequently may be missing opportunities to produce greater investment, higher incomes, and more equitable distribution of the benefits of prosperity among people and places. Most regions have no viable mechanisms for promoting metropolitan economic development, in terms either of developing a common vision, of formulating a collective strategy, or of jointly cooperating to implement such plans.

Metropolitan Economic Strategy, on the other hand, is a proactive organizing principle that depends on regional teamwork and citizenship. It is explicitly designed to bring together the public and private sectors across the entire region to formulate and carry out a coordinated set of targeted investments in people and places, consciously designed to enable businesses to thrive, jobs to expand, incomes and wealth to rise, and quality of life to improve. Each of the major constituencies – business, government, and community leadership, must closely collaborate for the region to thrive economically, socially, and physically. In just the same way that towns, cities, counties, provinces, states, and other governmental jurisdictions use economic development plans to guide their actions, so also must the communities that constitute a metropolitan region farsightedly engage in such comprehensive planning and united action if they are to compete effectively and win in the global economy.

Formulating and implementing an effective Metropolitan Economic Strategy requires focusing on two key elements. The first element is investing in the fundamental assets and activities that will help fuel productivity and innovation. Among these are:

- transportation and infrastructure
- education and workforce development
- research and technology
- venture capital and other forms of business financing
- services and amenities
- economic development incentives
- trade promotion and market expansion
- business and employment attraction and retention
- entrepreneurial culture and business-friendly institutions
- regional coordination and civic leadership
- taxation and regulatory policy
- environmental preservation and restoration
- community and family development
- quality of life.

The second key element of Metropolitan Economic Strategy is promoting modern and dynamic industry networks that accelerate the pace of innovation and growth. These broad-based groups of

interconnected firms and organizations, also called industry clusters, are best able to fully capitalize on the mix of specialization and diversity in the region's firms and assets, and to foster a climate of innovation in business process, technology, and the design and production of goods and services that can enhance global competitiveness and generate substantial growth in jobs and incomes.

Metropolitan Economic Strategy must be home-grown and tailor-made in order to succeed. The fundamental assets and the key dynamic industry networks will vary from region to region. One size definitely does not fit all. Every region must find the right mix and most important assets that work best in their particular circumstances for generating innovation and prosperity. For example, in 1996, 18 key industry networks in the United States were identified that, in different combinations and with wide variations from one region to the next, played major roles as export-based economic generators in 114 metropolitan regions. These 18 key industry networks are:

- Business and Professional Services
- Health Services
- Entertainment and Tourism
- Financial Services
- Housing and Construction
- Medical Products
- Transportation and Trade Services
- Industrial Supplies
- Printing and Publishing
- Electronics and Communications
- Transportation Equipment
- Materials Supplies
- Aerospace and Defense
- Agriculture and Food Processing
- Natural Resources
- Industrial Machinery
- Consumer Goods
- Apparel and Textiles.

Comprehensive and effective Metropolitan Economic Strategy necessarily requires fully involving the core city in order to maximize the urban contribution to regional prosperity. Industry networks operate across regions and always include significant business operations located in cities. The smooth functioning of regional economies, with their highly interrelated business activities involving numerous private firms and public sector organizations, requires healthy cities to serve as focal points for regional identity in the global marketplace, and to engage in many key aspects of the production and distribution of goods and services. Cities are the major sources of creativity and innovation, and they will continue to play a vital role in ensuring that regional businesses and job opportunities can compete in international markets.

Metropolitan Economic Strategy is the best way for cities to prosper in the new global marketplace. Cities and their surrounding regions simply cannot survive and thrive in isolation from each other. Urban economies increasingly extend far beyond traditional city boundaries. Many cities, even large and fast-growing ones, are often physically constrained by artificial boundaries that divide them from the rest of their natural urban economic growth area, and they can only revive or continue to thrive by directly linking their futures to the overall prosperity and competitiveness of the surrounding metropolis. The best way for cities and older inner-ring suburbs to succeed is by working collaboratively with their regional neighbors, organizing coordinated public-private partnerships to develop and carry out a Metropolitan Economic Strategy that includes, at a minimum, three major sets of policies.

The first set of policies involves closely linking the city's and region's key strengths to promote economic growth for the inner city and the outer suburbs. Growing the city's key industry networks inherently means improving metropolitan economic vitality. Cities both currently possess, and can create, fundamental assets to increase their competitiveness. By doing so they necessarily expand the overall metropolitan economic pie, even as they work to capture a larger share of that pie for city-oriented business activities that utilize to best advantage the existing transportation and communications infrastructure, accessibility of the central location, the urban-oriented lifestyle attractions, the diversity and depth of expertise and specialization, and the quality of major knowledge-based institutions.

For example, the City of Shanghai's Lujiazui Central Finance District and Trade Zone, especially the Pudong New Area, is designed to serve as a world-class financial services center for Asia, ultimately competing with and surpassing Hong Kong. It is the central city's role as part of a massive regional economic development effort that includes the Three Gorges Dam that will bring electric power and industrialization to the Yangtze River Delta that feeds into Shanghai and promotes export activity through the East China Sea. Indeed, the two key political and governmental leaders of China, Jiang Zemin and Zhu Rongji, both served as Mayors of Shanghai during the 1980s when their national predecessors, Deng Xiaoping and Li Peng, made Shanghai's Metropolitan Economic Strategy a major priority. Administratively, the City of Shanghai has considerable authority over a wide area of the surrounding metropolitan region, as do other major cities in China.

Another example is the Strategic Economic Development Plan for Washington, DC, developed in 1998. As part of that plan, a dynamic new economic growth center was created within the city that is called NoMa, shorthand for North of Massachusetts Avenue. Based on the implementation of the plan, NoMa is fast-becoming a technology, media, and arts district, home of Cable News Network, XM Satellite Radio, Qwest Communications International, National Public Radio, and other media and technology companies, as well as art studios and galleries. This economic initiative was also known as Action 29, based on development of the New York Avenue Metrorail Station that is a key part of the overall project. To many people's surprise, the NoMa strategy won considerable support from information technology and telecommunications industry executives as well as government officials in Virginia and Maryland, because they were convinced by the plan formulators that the type of creative activities that would be attracted and incubated in NoMa would otherwise go to urban neighborhoods in New York, Chicago, San Francisco, Los Angeles, Miami, or Toronto, not to Washington suburbs. Such an unusual "win-win" consensus in a highly contentious multi-state urban region led to further cooperation in Washington's economic plan when the city wholeheartedly endorsed extending the Metrorail system farther into Maryland and Virginia. It was recognized that expanding Metro not only will reduce suburban traffic congestion, but it will also make the city's business activities more accessible for commuters, visitors, and tourists, and make suburban jobs more readily available for low-income Washington residents.

The second set of key policies is reinvesting in the city's downtown and neighborhoods. This must be based on marketing the city's potential appeal to a wide range of businesses and residents from throughout the region and around the world, with coordinated public and private investments, and concentrated efforts to create or bring back commerce and jobs, high quality stores and services, safe streets and good schools, better housing and environment, and amenities that will attract and retain not just corporations and enterprises but a critical mass and greater diversity of mixed-income population. An example of a comprehensive initiative in the U.S. is the HOPE VI and Homeownership Zones programs created in the Clinton Administration, that have used the planning and design ideas of the new urbanism, sustainable development, livable communities, and smart growth movements to eliminate the worst public housing in America and replace it with new mixed-income, mixed-use neighborhoods that integrate low-income families into the wider fabric of urban social life and economic opportunity. Baltimore, Boston, Buffalo, Cleveland, Louisville, New York, Philadelphia, and other cities have demonstrated considerable skill and ingenuity in rebuilding and revitalizing communities through affordable homeownership and more sensible planning and development.

The third set of key policies is connecting urban residents to regional jobs. These initiatives necessarily include targeted job training and placement, transportation, child care, and other incentives that eliminate barriers to the smooth functioning of the metropolitan labor market and expand employment

opportunities for the low-skilled, low-income population living in and near cities. Such public-private investment in education, workforce development, infrastructure, and human services should include fully utilizing the social capital provided by community organizations, civic groups, and other non-governmental organizations (NGOs). At HUD the Bridges to Work program was created, which provided training, transportation, child care, and other services to move thousands of unemployed inner city residents to jobs throughout metropolitan regions across the United States. A good example of this approach is Focus: HOPE, located in the inner city of Detroit at the heart of where the 1967 riots began. Focus: HOPE, originally a civil rights advocacy organization headed by a Catholic priest, has successfully educated thousands of disadvantaged low-income youth from the most troubled neighborhoods in advanced automotive and aerospace engineering technology skills and placed them in high-paying jobs with manufacturing companies located in suburban communities throughout the metropolitan region.

A vital aspect of these three key sets of policies and the equity agenda of Metropolitan Economic Strategy is dealing with urban poverty. This is its own particular challenge, especially in developing countries and transitional economies. It is critically important to recognize the potential to convert the activities of the informal economy – squatting and bartering – into productive assets and genuine wealth creation for families and communities. Establishing secure tenure, viable property rights, and full citizenship for low-income settlements, providing adequate infrastructure and services that directly involve the people in job creation and problem-solving, investing in education and training that fully recognizes the human capital contribution of low-income families, creating cooperative financial institutions that enable people to borrow and save, and supporting small business entrepreneurship and homeownership through microfinance and microenterprise programs and initiatives are among the many vital tasks that must be part of a comprehensive Metropolitan Economic Strategy. The work of the Cities Alliance through the World Bank, UN Habitat, and its many other national and international partners, led by Nelson Mandela as patron of the Cities Without Slums action plan, has been strongly reinforced by the United Nations Millennium Declaration signed by 150 countries that commits “By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers as proposed in the ‘Cities Without Slums’ Initiative.” This should serve as a major impetus to incorporate urban upgrading and poverty alleviation as key elements of Metropolitan Economic Strategy that promotes growth, investment, job creation, human and community development, and entrepreneurship as essential for efforts aimed at improving prosperity and quality of life for low-income families and communities.

An essential starting point must be the provision of basic infrastructure and services that will turn “slums” into neighborhoods, where people can invest in their own housing, families, and business ventures with dignity, security, health, and opportunity. Urban upgrading programs can make an enormous difference at relatively modest public cost, and pay for themselves through the private improvements and increase in values brought about by the residents themselves. Indonesia’s Kampung Improvement Program, a partnership of local and national government with international support, successfully served 15 million people in a period of 30 years and demonstrated its worth many times over. In Ahmedabad, India, a partnership among the local government, a major private textile employer, Arvind Mills, and two grassroots non-governmental organizations, SAATH and SEWA (Self-Employed Women’s Association), pulled together the Slum Networking Project, called Parivartan (meaning “transformation”), as a mixed public-private financing package that mobilizes poor people to work for and even help pay for residential improvements and maintenance of low-income communities, as well as for commercial economic development. The World Bank and the United Nations also provided some assistance. The financing package includes paved roads; individual household connections for fresh water, indoor plumbing, underground sewerage, and sanitation facilities; storm water drainage; solid waste management; street lighting; and landscaping. Ms. Mirai Chatterjee, a local leader of SEWA and the SEWA Bank, wrote a letter to the World Bank explaining a vital economic rationale for investing in low-income people and their communities: “Slum upgradation is poverty alleviation. For a poor family in a slum, their home is a productive asset – it is their workplace. Hence if a home and its environs are upgraded and secured, it is a major contribution to their employment.”

Mirai Chatterjee’s letter also referred to the issue of secure tenure, as the global campaign of the UN Habitat Agenda is called. Freeing people from the fear of eviction if they are renters or owners, and providing them with clear and legal title, along with other rights of citizenship that will enable them to securely invest in and improve their property and their livelihood, is an essential element of metropolitan

economic strategy that can substantially reduce poverty. Studies have consistently documented 20 to 60 percent increases in property values after informal settlements are formalized and legalized, and private investment rises ten-fold when urban upgrading is combined with secure tenure. Hernando de Soto's new book *The Mystery of Capital* draws on his experience in Peru, where a \$37 million initiative financed through the World Bank enabled nearly seven million people to obtain secure land title in less than a decade. According to Elena Panaritis, who helped coordinate Peru's Urban Property Rights Program, it introduced "more than \$4 billion of previously informal real estate assets to organized capital markets. Since the beginning of the program, property values for the newly formalized urban land increased by more than \$1.7 billion."

Several years ago the Hungarian town of Nagykata (60 miles southeast of Budapest), with a population of 13,000 and an unemployment rate of 25 percent, sought financial help from the U. S. Agency for International Development and the Canadian International Development Authority in preparing a strategic economic development plan with a great deal of citizen participation, along with technical assistance from the Canadian Urban Institute. Through this process, Nagykata attracted Clarion, a Japanese-owned electronics assembly factory that provided more than one thousand new jobs, promoted tourism and quality of life, successfully cut its unemployment rate to eight percent, and reduced its dependency on national government funding from 95 percent in 1995 to less than 80 percent today, with greater self-sufficiency through increased local revenue sources. Clearly strategic planning makes a difference for job creation and economic development. In the war-torn villages, towns, and cities of Bosnia Herzegovina, the World Bank funded the Local Initiatives Project to promote microfinancing, including offering unsecured credit for small entrepreneurs combined with technical assistance, encouraging pro-business legal and regulatory changes, and providing support for independent, community-based financial institutions. In just the past three years, 80,000 micro-loans to small entrepreneurs have helped create or sustain more than 100,000 jobs, with a loan repayment rate of nearly 99 percent. Clearly the successful large-scale experiences with microfinancing and microentrepreneurship in Bangladesh, Bolivia, India, Indonesia, and many other countries have demonstrated their value for employment creation, income generation, and poverty reduction, particularly when combined with good strategic planning so that small enterprises will grow to serve markets that maximize the fundamental asset base of the community and region.

Preserving and enhancing a good physical environment and quality of life is essential to the long-run success of a Metropolitan Economic Strategy. No region can compete globally and sustain itself as a center of innovation without attracting and retaining talented people. These highly skilled professionals are increasingly lifestyle-oriented and will only live, work, or visit places that offer a very good quality of life. Today's environmentalism and related movements for sustainable development, smart growth, and new urbanism are more than just *compatible* with economic growth. Environmental protection and restoration are fundamentally *necessary* for generating prosperity in the new global economy. There is a very strong case to be made for why a good environment and improved quality of life is now critically important for regional success in the global economy, and even mainstream economists such as Michael Porter and Lester Thurow support this point of view.

Preserving and enhancing the physical and natural environment of cities and metropolitan regions includes: cleaning up and redeveloping brownfield sites; renovating historic structures; improving clean air and water; maintaining the beauty of natural landscapes, the accessibility of pathways and open space, and the availability of agricultural land; curbing sprawl and traffic congestion; reinvesting in older towns and cities; expanding transit and other pedestrian and transportation alternatives; promoting ecological and heritage tourism; developing "green" infrastructure; increasing recycling and the use of renewable energy sources, while encouraging energy conservation; and generally strengthening community planning and design. This is especially important for high-poverty communities. Low-income people are generally the most harmed by air and water pollution and exposure to a wide variety of harmful substances and unhealthy conditions, which is why the global movements for environmental justice and healthy cities are so vitally important.

Finding the right mechanisms for governance is critical to the success of Metropolitan Economic Strategy. Each region must make its own way, navigating the complicated challenges of bridging across

many levels of separate jurisdictions and governing units, including communities, towns, cities, counties, special districts, public authorities, provinces, states, and even nations. This challenge is made even more complex because the role of the private sector is absolutely essential. Forming the right kinds of partnerships, establishing the right types of leadership, creating the right forms of cooperative governance structures – these and many other issues must be resolved for Metropolitan Economic Strategy to make a visible and long-term difference. There is not one best solution, and one answer certainly does not cover every situation. The challenges of governance become increasingly difficult when metropolitan regions involve multiple layers of political jurisdictions. New regional governance mechanisms must be designed, legitimized, and granted genuine decision-making authority and resources to effectively enforce agreements and implement projects. It becomes especially tough when metropolitan regions cross national boundaries, as it happened when Barcelona needed to include jurisdictions in the south of France while planning for the 1992 Olympics, and in the evolving strategic economic partnership between San Diego, California in the U.S. and Tijuana, Baja California in Mexico.

The times when regions are most likely to come together and organize a Metropolitan Economic Strategy is when they are responding to a widely perceived crisis or when they are taking advantage of an apparent opportunity. In both cases, strong vision, leadership, and communication is necessary in order to mobilize people successfully. Generally, people are the most highly motivated to act collaboratively during times of perceived crisis. Thus, the threat of military budget cutbacks and base closures, downsizing or departure by one or more large private employers, an economic recession or precipitous decline in prosperity – all of these can serve as catalysts for regional leadership to join hands and work to create a brighter economic future.

Sometimes opportunities can generate the same kind of cooperative energy as a crisis, such as the very aggressive and successful efforts by Atlanta to host the 1996 Olympic Games and use it as an opportunity for regional economic development, urban reinvestment, and neighborhood revitalization. Barcelona, Sydney, and Salt Lake City followed a similar path, and Beijing is using the 2008 Olympics to engage in large-scale economic development, to the point of building two new subway lines and planning numerous other strategic investments. Other regions can and should learn from these experiences in generating a powerful vision of new opportunities that view investment, employment, development, marketing, financing, design, tourism, transportation, and many other factors within the broader context of Metropolitan Economic Strategy.

A Tale of Two Regions: Metropolitan Economic Strategy in Akron, Ohio, and Johannesburg, South Africa

Metropolitan Akron

The recent economic transformation of metropolitan Akron, Ohio highlights the vital fact that the New Economy is much more than computers, software, and the Internet. Key to success in the global marketplace is to take full advantage of advanced knowledge and skills in every aspect of producing and distributing goods and services. Metropolitan Akron did not become another Silicon Valley, nor did it try to become something it is not. Instead, Akron wisely built upon its existing assets and strengths to create an innovative new technological edge in global competition.

Akron's reputation and fortunes had rested for a century on rubber. The city and region became the world center for rubber tire manufacturing, home to the "big four" – Goodyear, Firestone, Goodrich, and General Tire. Yet in the 1970s and early 1980s, Akron experienced the same type of wrenching plant closures and job losses that swept through much of America's industrial heartland – the northeast-midwest "rustbelt" – during this dramatic period of global economic change. Rubber tire manufacturing in metropolitan Akron declined so precipitously that by 1983 unemployment was greater than 12 percent, and more than 40,000 factory jobs had vanished.

Having hit bottom, and with the threat of widespread joblessness and poverty looming in the future for so many of its citizens, this once-thriving and resourceful blue collar mecca decided to fight back by planning for a new and different future. City and county officials, corporate executives from the

Akron Regional Development Board and Akron Tomorrow, administrators of the University of Akron and other major institutions, and the Ohio government, led by Governor Richard Celeste and later by Governor George Voinovich working actively with executive branch agencies and the state legislature, together created a Metropolitan Economic Strategy for Akron. The foundation of this strategy was the recognition that while Akron companies would no longer be the world's leading manufacturers of rubber tires and related products, there was an enormous infrastructure of knowledge and skill, of physical capital and institutional relationships, that could enable Akron to compete more effectively in the global marketplace. Specifically, the region, having served as the innovator for developing synthetic rubber during World War II, contained within it a great deal of expertise in the design and production of polymer-based synthetic materials, including plastics and a wide variety of related products.

Thus, the University of Akron's Rubber Research Institute was transformed into the large new College of Polymer Science and Engineering, and metropolitan Akron soon became one of the world's leading centers for polymer science and engineering. The major tire companies expanded their research and development laboratories and related facilities in the region, even as they downsized or abandoned factories. Foreign companies from around the world, such as Shanghai Tire & Rubber Company, quickly followed suit and established advanced corporate research centers in Akron. The State of Ohio created the Edison Polymer Innovation Corporation to facilitate transfer from the research labs to commercialization of new products by existing companies and new start-up ventures. The Akron Regional Development Board aggressively recruited polymer firms to help achieve critical mass. Other public-private partnerships focused on venture capital and business financing, education and worker retraining, rebuilding downtown Akron as a convention and entertainment center, connecting the metropolitan region's local government jurisdictions through commercial tax-base sharing, and creating stronger linkages to economic activity in Cleveland and the broader northeast Ohio area, including the Polymer Materials Department at Case Western Reserve University. Akron's new corporate symbols, rather than the tire companies, are polymer-based firms like Advanced Elastomer Systems, Rubbermaid, and Little Tikes. Polymers are a critical part of the fast-growing medical products sector – prosthetics, orthodontic, pharmaceutical, and surgical items – and an integral part of the major machinery and equipment industries of Ohio, Michigan, and Pennsylvania, including the production of cars and trucks.

Today there are more than 500 polymer companies in metropolitan Akron and thousands of new, good-paying, polymer-related jobs. Perhaps the best symbol of this transformation is Canal Place, a once abandoned B. F. Goodrich Tire factory near downtown Akron that is now a thriving office complex, research and development center, and business incubator, the headquarters of polymer-based Advanced Elastomer Systems with hundreds of employees, as well as dozens of other growing ventures. Polymer-oriented entrepreneurs, scientists and engineers, and skilled production workers are just as “high-tech” as their counterparts in the computer industry. More importantly, they are much more likely to want to live and work near their colleagues and fellow polymer experts in the City of Akron and surrounding metropolitan region, which has strengthened its central core with a variety of cultural, recreational, and entertainment-oriented uses, and has also created an environmentally sensitive 23-mile heritage tourism biking and hiking trail along an old canal corridor that originates in downtown Akron. Fully capitalizing on the new attractiveness of the educational institutions and the quality of life is what made Akron's Metropolitan Economic Strategy so successful, in contrast to less well-conceived and effective efforts in many other places.

Metropolitan Johannesburg

The City of Johannesburg has for more than a century been the main urban economic center of South Africa. It is the capital of Gauteng Province, which accounts for more than a third of the nation's economic output. Indeed, Johannesburg itself, with eight percent of the national population, generates 16 percent of South Africa's GDP. The city is the headquarters for most of the country's large corporations, banks, insurance companies, mining companies, and other financial and business activities, such as the stock exchange. Yet in recent decades the metropolitan economy suffered because of the international isolation of the apartheid regime. In addition, global restructuring and de-industrialization has fostered its further decline, primarily in heavy manufacturing activity. While business, professional, financial, and government services and retail trade have continued to grow in investment and employment, many

major companies increasingly decentralized their operations to suburban locations, especially during the 1990s, thus contributing to deterioration in the central business district and the surrounding inner city area.

The arrival of the democratic government in 1994 brought a new public commitment to addressing issues of poverty, unemployment, opportunity, and inclusion for the majority population. The South African national government, led by President Nelson Mandela and Deputy President Thabo Mbeki, unveiled the Growth, Employment, and Redistribution (GEAR) economic plan in 1996 to expand jobs and incomes by improving business competitiveness and strengthening social equity. The economy of Johannesburg and Gauteng Province was key to these new efforts to promote global trade, attract foreign direct investment, and increase business and job growth in higher value-added production, including information technology, telecommunications, biomedical technology, financial services, and tourism. Central to the overall strategy was emphasizing the role of Johannesburg as an “African world city” or “gateway city.” A vital aspect of this urban initiative was the revitalization and upgrading of communities both in the inner core and the outlying townships of the city and region, with better metropolitan coordination and integration.

In 1997, the Johannesburg Inner City Development Forum, with assistance from the Urban Management Programme sponsored by the United Nations Development Programme, the United Nations Centre for Human Settlements (UN Habitat), the World Bank, and various national governments, worked with the city, metropolitan, provincial, and national governments, the private sector, and community groups, to design an Economic Development Strategy for the Johannesburg Inner City. Then Deputy President and current President Thabo Mbeki initiated and strongly supported this landmark effort. The inner city area was soon designated as one of ten Priority Intervention Zones in the Greater Johannesburg Strategic Metropolitan Development Framework, while the City of Johannesburg itself was later expanded to incorporate the jurisdiction of the Greater Johannesburg Metropolitan Council and areas covered by several other local councils. The inner city economic development strategy became a key element of both of the high-profile “iGoli 2002” and “iGoli 2010” planning processes that focused on creating a Metropolitan Economic Strategy to make Greater Johannesburg “a world-class, globally competitive” city.

Another important piece of the puzzle involved the Central Johannesburg Partnership and other downtown business groups initiating five City Improvement Districts, supported by self-taxation of local property owners. The City Improvement Districts hired their own private staff to help clean up the streets, reduce crime, and market the area by promoting office and retail occupancy and new development in the “Civic Spine” and other downtown neighborhoods. This included bringing the Provincial Legislature to the old City Hall and encouraging nearby office construction and renovation. Some of the marketing and development-related responsibilities were later assumed by the newly created Johannesburg Development Agency, a public-private partnership of the municipal and provincial governments with the Johannesburg Inner City Business Coalition. Major projects involve building the Nelson Mandela Bridge to the Newtown neighborhood that will develop as a center of cultural activity, building the new Constitutional Court and redeveloping the historic Old Fort prison into a major tourist attraction at Constitution Hill, revitalizing community areas such as Ghandi Square and Joubert Park, developing incubator space to encourage small business “clusters” in the garment and jewelry industries, building new taxi stands and bus stations, establishing the Inner City Housing Upgrading Trust to help finance the improvement of dilapidated housing, and providing transitional housing and supportive services for homeless people.

Johannesburg’s inner city area recently has become a magnet for new immigrants that earn a subsistence income by working as street traders in the “informal economy.” These so-called hawkers have little or no access to financing, facilities, or services, operate without regard to taxes or laws, and are often victims of gangs and criminal activity. The Metropolitan Economic Strategy focused on formalizing such activities and enabling these microentrepreneurs to work in a more secure and orderly manner. It created the Informal Trade Management Programme that established designated trading places and facilities, collected taxes and fees, and enforced both consumer protection regulations and laws against trading in non-designated areas. The City of Johannesburg also established the Informal Trade Management Company (ITMC) to provide business training, technical assistance, financial

counseling, security, and other management services. The ITMC also developed and maintains six indoor markets with 2,400 trading stalls, 600 production and storage spaces, and more than 300 affordable apartments, enabling low-income entrepreneurs to obtain better working and living conditions in central locations.

Finally, Johannesburg's Metropolitan Economic Strategy did not just address urban redevelopment issues in the central business district, along with crime, unemployment, and physical deterioration in surrounding inner city neighborhoods like Joubert Park and Yeoville. A significant portion of the capital investment program also targeted installation or improvement of basic infrastructure, public facilities, and services in outlying "peri-urban" low-income squatter settlements such as Diepsloot. In addition, the regional investment plan involved improving education, job training, and transportation connections in Greater Soweto, Meadowlands, and other suburban township areas to enhance metropolitan economic citizenship for communities suffering from high unemployment and lack of business opportunities.

The Necessity and Value of Grassroots Mobilization and Action: Cebu City, Philippines

For a metropolitan economic strategy to be truly effective and competitive over the long term, it must make the best use of the fundamental assets of a city and region, including all of its people and communities. In this sense, social equity, neighborhood improvement, and environmental quality are essential components for generating economic prosperity, growth, and development. The best way to ensure that equal opportunity is one of the key outcomes is to build equity into the planning process. In other words, "Productive Cities" are "Inclusive Cities" and vice versa. During the 1980s, a Metropolitan Economic Strategy for Pittsburgh, Pennsylvania was designed by a public-private partnership focusing mainly on innovations in computer software, biomedical research products, and other new technologies. Community-based organizations were involved to create a more inclusive high-technology economic development strategy that enabled low- and moderate-income families and neighborhoods to benefit from increased public and private investments, and this inclusive strategy helped make it possible for these grassroots NGOs to participate directly in official deliberations with government officials and corporate executives.

Political organizing and mobilization of low-income people is vital for such an empowerment and enfranchisement approach to succeed. A good example of this dynamic is Cebu City in the Philippines. With the return of democratic elections in 1986 after the fall of the Marcos dictatorship, low-income citizens organized in Cebu City for the 1988 municipal elections and helped put into office Mayor Thomas Osmena and numerous supportive City Councilors. Mayor Osmena, and his successor from the same political party, Mayor Garcia, have worked closely with low-income people and communities to improve their lives and economic circumstances. Cebu City and its surrounding area have experienced positive economic growth and foreign direct investment as an international trading center for Asia, a major seaport, and an industrial, service, and commercial center. The coalition of grassroots groups organized to gain assistance from local government officials is spreading the benefits of this growth to their neighborhoods.

A first key step was for low-income citizens to obtain access to power and resources at the local level through the Barangays, which under the post-1988 democratic reforms became municipal sub-governmental units that receive a share of national tax revenue plus one-third of the city's property taxes collected within their jurisdiction. There are 80 Barangays, each covering an average population of 8,000 citizens, represented by eight elected Councilors. The Barangays provide local security, sanitation, drainage, waste collection, and other services, and also engage in various forms of public development, regulation, and emergency relief for those in need. Cebu City's effective grassroots electoral mobilization enabled low-income residents to influence the type and quality of development and services and thus improve their communities. They also encouraged micro-entrepreneurship by permitting pedicabs (called trisikads) and other informal street traders to operate. Indeed, at the citywide level the Cebu City United Vendors Association – representing 5,000 predominantly female members – worked with other informal sector vendor organizations to obtain more favorable treatment from the local government, in terms of

security, facilities, services, and regulatory permission to engage in business activities free from harassment and eviction.

Another vital citywide action was the creation by Mayor Osmena in the early 1990s of the Cebu City Commission for the Urban Poor, an official agency responsible for working with NGOs and other grassroots groups to coordinate implementation of programs improving access to land, housing, jobs, business opportunities, infrastructure, services, development, welfare, and other resources. For example, the Commission played a central role in greatly expanding the effective use of the nationally financed Community Mortgage Program for Cebu City citizens. Through this intervention, the application process was shortened from two years to six months, and more than 4,000 low-income families benefited from CMP's subsidized loans to legalize their land and housing tenure and improve their homes and squatter settlements. Financial assistance from CMP helped initiate 65 major community improvement projects to install access roads, footpaths, electricity, fresh water wells and pipes, sewerage, drainage, and other basic services, with the government providing the funds and neighborhood residents doing part of the work. The Commission helped prevent evictions and demolition of informal settlements. With the help of CMP financing and other support from the local government and from private philanthropic foundations, the Commission also enabled residents to purchase their land, and through their own labor, to improve the communities they now collectively own, as well as their homes that they individually own.

Conclusion

There are two points to be emphasized in conclusion. The first is that the problem of urban poverty can only be solved by involving low-income people in expanding the economy to raise their incomes and wealth, and to improve their basic quality of life. In other words, poverty alleviation is best addressed through equitable economic growth that directly integrates low-income people into the process and outcome, treating them as assets that contribute to overall growth with equity, rather than as liabilities that detract from general prosperity. The best poverty alleviation initiative is a very carefully designed economic development strategy that includes low-income people in planning and implementation, and highlights poverty alleviation as one of the most important goals.

Secondly, while many of the principles outlined here apply to economic development strategy at any level of geographic aggregation, the best way to address the international problem of urban poverty is through Metropolitan Economic Strategy. This is because metropolitan regions are basic engines of economic growth in every country. Strategies targeted at any other level will miss important linkages and fail to generate the greatest amount of additional resources that can be brought to bear to raise people's income and standard of living. Addressing poverty solely at the community level, or even citywide, will not be nearly as effective as tackling the issue through a Metropolitan Economic Strategy. The growth prospects and economic development agendas of communities and cities will always be strongest when they are directly tied to a strategy that fully recognizes and utilizes the fundamental assets and the innovative industry networks.

Dr. Marc A. Weiss is Chairman of the Prague Institute for Global Urban Development, a Trustee of Anglo-American College, and Vice President of the Czechoslovak Society of Arts and Sciences in the Czech Republic, and he is Chairman of the Action 29 – New York Avenue Metro Station Corporation, President of Metropolitan Investment Strategies, Managing Director of Catalyst, Co-Chairman of the McKinley Technology Campus Corporation, and a Director of District of Columbia Cable Television in Washington, DC. In addition, he is serving as a Public Policy Scholar at the Woodrow Wilson International Center, a Senior Fellow in Community Studies at the Center for National Policy, and a member of the Steering Committee for the United Nations-Habitat Best Practices Program.

Investing In Municipal Leadership

K.C. Sivaramakrishnan
Centre for Policy Research, New Delhi

According to the 2001 Census, a little over a quarter of India's more than one billion people live in urban areas (27.8 percent). However, in some states, like Tamil Nadu or Maharashtra, almost half of the population lives in urban areas (43 percent). India now contains thirty-five cities of more than a million inhabitants, and 4,368 urban agglomerations. Although urbanization in developing countries is often attributed to distress-induced patterns of migration, the growth in Indian cities has been mostly due to natural increase.

For the first time in the history of the Indian Census, residents in slum areas in all cities with more than 50,000 inhabitants were included in the counting. An important indication is that all slums cannot be considered a surrogate for poverty. Literacy and other social characteristics of the slum dwellers are the same as elsewhere in the city but physical facilities are much more deficient.

Within the context of such urban growth, the political aspects of local governance have become extremely important in recent years. The general structure of democracy within India until now consisted of the House of the People with 545 members, a Council of States with 250 members, as well as 27 state assemblies, and five state councils which together have about 5,500 members. Yet, thirty years of stagnant congressional districts because of the freeze on boundary changes have caused urban populations to be greatly underrepresented at the national and state levels. As a result, political institutions often overlooked the issues and significance of effective municipal governance.

In 1993, the Parliament enacted two constitutional amendments (amendments seventy-three and seventy-four), which began a process of decentralization and drastically widened political participation. Today there are about 68,000 elected representatives from the urban local bodies. Elections are mandatory and a third of the seats are reserved for women.

Despite the oft-cited enactment of these amendments and according constitutional status to local bodies, many barriers to the success of local administrations still remain. Impediments to effective governance such as the ceremonial rather than executive status of mayors, poor training for locally elected officials, high rates of turnover, and a lack of participation below the citywide level continue to be significant.

At the end of the day, the quality of life for most Indian citizens will be determined at the local level. The knowledge, expertise, and competence of elected municipal officials such as Mayors and Municipal Presidents (not just the bureaucracy), therefore becomes extremely important, and subsequently improving training programs for local officials, with a focus on both political and technical questions, would be invaluable.

K.C. Sivaramakrishnan is a professor at the Centre for Policy Research and is also associated with the Institute of Social Sciences both in New Delhi. He has been Senior Advisor, Urban Management in the World Bank and has worked as Secretary of the Ministry of Urban Development for the Government of India. He has held several public positions at the national and metropolitan level including Chief Executive of the Calcutta Metropolitan Development Authority. Among his more recent publications are "Metropolitan Management: The Asian Experience;" "Power to the People: The Politics and Progress of Decentralization" and "The Future of Urbanisation-Spread and shape in Selected States."

Seminar #2



Environmental Health Strategies for Cities in the Developing World: Case Study Democratic Republic of Congo

**Dr. Christopher McGahey, Coordinator
Community-based Environmental Sanitation and Hygiene
USAID Environmental Health Project (EHP)**

Seminar #3

Introduction

It was a hot, humid morning in Kinshasa. Amid the piles of vegetables and fruit in the market, colorfully clad Congolese were grouped around a health educator, whose voice could be heard above the din of daily commerce. The education session was part of a USAID project to improve market sanitation and hygiene in Kinshasa markets. The project was one component of the Urban Environmental Health Strategy implement by the USAID mission to the Democratic Republic of Congo.

Under the project, “sanitation units” were constructed in seven Kinshasa markets that serve the majority of the city’s six million inhabitants. These units include toilets, showers, water points for washing hands, and water storage tanks, and they are equipped to collect rainwater for use in the units. In addition, 11 drinking water points were established in locations where water was not previously available to the market vendors and customers. Nongovernmental organizations and private businesses maintain these new facilities, generating funds by charging fees for their use. The health education specialists use the water points and sanitation units as sites for teaching the market community about hygiene. Surveys of market vendors’ knowledge of the causes of diarrhea and of behaviors associated with food and market hygiene showed two- to fivefold increases in less than a year under the project in a country which is deep in debt, steeped in poverty, only recently functioning under a capable government, and overwhelmed with basic health crises in multiple forms. The context, framework, achievements, and lessons learned from one urban project successfully implemented in this environment are described on the following pages.



The Context of the Democratic Republic of Congo

In the year 2000, it was estimated that the 52 million people in the Democratic Republic of Congo (DRC), formerly Zaire, were saddled with a public external debt which was 10 times the yearly value of the total national export of goods and services. In the forty years preceding this analysis, the per capita income in the country had dropped from US\$361 to below US\$100 leaving 80 percent of the population of this vast country which has immense economic resources in absolute poverty.

Civil war continues to be waged in the country pitting national forces, supported by Angola, Namibia, and Zimbabwe, against opposition forces backed by Uganda and Rwanda. Mobility in the country is severely limited and at best is difficult. Joseph Kabila, who at 31 years of age became the President of the DRC has worked diligently to stabilize the country, and in July 2002, the World Bank announced that it intended to erase much of the country’s US\$12 billion in international debt.

The national population continues to grow at a rate of close to two percent per year, and it continues to be wracked with a high infant mortality rate – even for sub-Saharan Africa, 34 percent of its children

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under the age of five malnourished, more than one million of its people living with HIV/AIDS, nearly the same number of children orphaned by AIDS, and a prevalence of diarrhea in urban-dwelling children under the age of five of between 20 and 25 percent.

Urban Conditions in the Democratic Republic of Congo

Urban areas in the DRC are in crisis due to rapid growth, anarchic settlement, and poor management of public services by the government. These factors have led to disastrous consequences, including the degradation of the urban environment, the decay of infrastructure, and the deterioration of public health. Congolese authorities admit that they are failing in their mission to protect the health of the public due to lack of needed equipment, resources, and institutional structures. For example, wastewater drainage networks typically date to colonial times and serve only a small portion of the urban areas. Solid waste lies generally uncollected in markets, roads, surface drains, waterways, and in public establishments. Further complicating the situation, individual behavior by community members generally does not serve to protect people from the ever-present environmental threats to health. High rates of water-borne diseases, resulting from the above conditions, has led to numerous cases of typhoid fever, dysentery, cholera, and diarrhea registered in urban centers around the country.

In response to these conditions, USAID/DRC initiated actions to address priority urban environmental health threats in both the short and long-term in partnership with USAID's Regional Urban Development Office (RUDO) in South Africa and the Environmental Health Project (EHP). Work began with the preparation of an Urban Environmental Health Strategy paper for the Mission in June 2000. Subsequently, short-term, results-oriented pilot projects were implemented which were consistent with the Strategy. USAID/DRC support to three pilot, urban projects began in October 2000 and ended in December 2001. In late 2001, the results and lessons learned from this fieldwork were documented.

USAID/DRC Urban Environmental Health Strategy

The Urban Environmental Health Strategy was developed by USAID/DRC with funding from the RUDO and technical assistance from EHP. It has been applied to USAID/DRC program development since July 2000. The Strategy is guided by the following general principles:

- Cost-effective best practices should be replicated;
- Strong African organizational partners should be used to the maximum extent possible;
- Cooperation with other donors and regional organizations should be maximized;
- Community involvement in provision of environmental health services should be central to all activities;
- Income generation will be stimulated to address long-term poverty;
- Innovative methods to address the needs of populations at high risk of HIV/AIDS infection will be identified and supported;
- Interventions and evaluation should be scientifically-based; and
- Initiatives must demonstrate financial sustainability.

Under this set of principles, the Strategy consists of eight components, which form an integrated and comprehensive approach to achieving the objectives of stakeholders, the Government of the DRC, and USAID/DRC. The components include:

Community participation: to strengthen the role played by community members in planning, decision-making, prioritizing, implementing, monitoring, and evaluating activities;

Behavior change: to maximize health improvements by supporting improved household-level hygienic behaviors;

Addressing targeted priorities: to optimize the use of available resources by focusing on overcoming selected, high priority environmental health risks identified by communities, rather than attempting to broadly address a wide range of issues;

Decentralization of municipal service delivery: to facilitate the formation of cooperative structures whereby community organizations assist municipal organizations in providing environmental sanitation services to their constituents;

Micro-enterprise support for environmental sanitation improvement: to encourage the formation of new relationships between the public and private sectors to generate financially sustainable improvements in urban environmental health;

Cooperation with health facilities: to ensure that environmental health improvements are consistent with and supported by health care delivery networks and their community-based organizations;

Information, Education, Communication (IEC) and Training: to increase knowledge and change behaviors through IEC and training, focused on addressing targeted priorities;

Alternative Techniques of Environmental Sanitation Improvement: to support expanded use of proven innovative and alternative community-applicable technical interventions to improve environmental sanitation.

This strategy was then used as a guideline by grant applicants to design and implement three urban environmental health pilot projects in Congolese cities.

USAID/DRC Urban Environmental Health Pilot Projects

Two of the three pilot projects were implemented in Kinshasa and the third in Kananga, a secondary city due east of Kinshasa and four hours away by airplane. The three projects, their objectives, and the implementing organization for each are presented below:

1. Water Supply and Hygiene Education for the City of Kananga – 2000
 - The goal of this project was to reduce morbidity and mortality due to water borne diseases among the population of Kananga, especially among women and children, by increasing access by the population to potable water, by increasing local capacity in water provision and management, and by promoting preventive health measures.
 - Implementer: International Rescue Committee (IRC)
2. Environmental Health Pilot Project in Kinshasa, Democratic Republic of Congo
 - The goal of this project was to reduce the incidence of diarrheal diseases in the targeted area by working with the community to change various factors in the environment that contribute to these diseases. The program was designed to identify and test creative solutions and alternative techniques to address environmental health problems in the project area. Specific objectives include (1) building the capacity of the community to identify and address their own sanitation needs, (2) improving wastewater management in the project area, (3) increasing sanitation facility use in the project area, and (4) improving domestic and community hygiene practices.
 - Implementer: International Rescue Committee (IRC)
3. Water and Sanitation in the Public Markets of Kinshasa
 - The main goal of this project was to reduce public health hazards by improving sanitary conditions in the public markets of Kinshasa. This was accomplished by (1) increasing availability of safe drinking water in the public markets, (2) improving sanitation facilities in the markets, (3) establishing community management capacity, and (4) improving hygiene practices.
 - Implementer: Action Against Hunger – USA (ACF-USA)

The remainder of this paper focuses on the achievements and lessons learned from the third of these pilot projects: Water and Sanitation in the Public Markets of Kinshasa.

Achievements in Public Markets in Kinshasa

Urban markets in the DRC are similar to those found in other urban African cities except in terms of size. In Kinshasa, these markets are the principal sources of goods for an estimated six million people.

ACF-USA set out to positively impact six of the largest urban markets in Kinshasa. Over nine months of implementation, ACF-USA and their implementation partners – which included both governmental market management and a variety of members of the “market community” achieved the following:

- Construction of nine public latrines in Kinshasa markets resulting in private sector or NGO management and an average of US\$230 per week in net income.
 - Average total weekly receipts, US\$500 (at US\$0.07 per use)
 - Average weekly personnel costs, US\$175
 - Average weekly operation and maintenance costs, US\$91
 - Average weekly net income, US\$234
- Establishment of municipally-supplied water points which were managed by community-responsive market water supply committees
- Community education on hygiene and infrastructure maintenance which resulted in improved hygiene conditions and behaviors for diarrhea reduction
- Demand-responsive actions to address priority concerns of community partners including:
 - Construction of dozens of elevated platforms to enable market vendors to display their goods off the contaminated and muddy ground
 - Regular meetings of the project oversight committee in each market to plan, decide, and establish consensus on activities to undertake
 - Establishment of a partnership with municipal authorities to replace a broken section of domestic sewerage which was contaminating one of the key entryways to one market with raw municipal sewage
 - Development and use of educational materials appropriate for the project and its community partners
 - Mobilization and support for a group of community motivators who actively led the creation, development, and application of energetic, personal efforts to change behaviors through focused messages and targeted communication programs (including songs, skits, and one-on-one meetings in the markets)

Health and Hygiene Impacts in Public Markets in Kinshasa

The University of Kinshasa School of Public Health worked closely with EHP to develop and implement both baseline and impact surveys for the ACF-USA market sanitation and hygiene activities. The School's innovative approach examined behaviors of market vendors, customers, and restaurateurs, and the children of vendors and restaurateurs. A selection of their key findings are tabulated below:

Behavior	Before	After
Percent of restaurateurs who report washing their hands after going to the toilet	52%	65%
Percent of restaurateurs observed to correctly wash their hands	30%	44%
Percent of restaurateurs observed to correctly wash their hands	38%	48%
Knowledge of customers of the proper steps for hand washing	2%	15%
Percent of vendors who display their goods on the ground	4%	1%
Percent of restaurateurs who throw their waste into the street	13%	0%
Prevalence of diarrhea in children under the age of 5 in the previous two weeks	25%	12%

Lessons Learned

The lessons learned from the market sanitation and hygiene project and the other two pilot urban environmental health projects were documented by an EHP consultant in August 2001. This resulting document: (1) evaluated these pilot projects against the components of the Strategy, (2) evaluated each project against its proposal, (3) documented the broad lessons which were learned during the projects, and (4) proposed the significance of the lessons to USAID programming in environmental health.

Findings related to item (3) will be presented in this section. More substantive discussion of the supporting evidence for each lesson and the other items are contained in section 3 of the lessons learned document, *Urban Environmental Health Pilot Activities: Evaluation of Progress and Lessons Learned*, August 2001, USAID Environmental Health Project Report to the File.

Lessons Learned in Program Design

- Comprehensive market sanitation projects should be viewed as and implemented following the same steps as comprehensive community development projects.
- Sufficient time must be set aside at the beginning of implementation to understand and train local implementation partners including government and community-based organizations.
- A formal start-up workshop bringing together all stakeholders is beneficial in project implementation.
- Flexibility should be incorporated for a demand-driven approach to be supported.

Lessons Learned on Achieving Hygiene Behavior Change

- Training and equipping of community animators (“sensibiliseurs”) are crucial to the accomplishment of hygiene behavior change in urban markets.
- Comprehensive baseline surveys focused on targeted behaviors are important for both planning communication, education, and training as well as for documenting health impacts.

- All community members can be mobilized as educators, not just community animators.
- Hygiene behavior change can be accomplished in an implementation period of under one year.

Lessons Learned Concerning Sustainability of Interventions

- One year is too short a time period to accomplish both interventions and their long-term sustainability.
- Income can be generated by community-based waste management.
- In income generating projects related to infrastructure management, a targeted amount of funds should be mandated to be set aside to cover recurrent capital costs.
- In income generating projects in the DR Congo, strong efforts should be made to ensure that collected fees retain their value over time against inflation and devaluation.

Conclusion

Traditional approaches to improving sanitation in markets in cities in developing countries have typically focused on solid waste management and occasionally set out to expand water supply, but without emphasizing health improvement. USAID/DRC, ACF-USA, USAID/RUDO, and EHP chose in the Democratic Republic of Congo to move in a more innovative direction to reduce diarrheal disease by focusing on improving infrastructure and behaviors and the sustainability of each in urban markets. The measured results speak clearly for the success of the approach taken. The lessons learned were gained from three specific activities, but they are general enough to guide the design and implementation of other similar activities in different settings. It is apparent from the findings presented here that improving sanitation and hygiene behaviors in markets in sub-Saharan Africa can be a viable approach to improving urban health in focused, cost-effective, and financially sustainable programming. It is hoped that similar efforts will be supported, evaluated, documented, and discussed. In this way, donor and government funds can be efficiently targeted toward one successful aspect of Making Cities Work.

Dr. Christopher McGahey is a senior associate and Water Resources/Environmental Health Specialist at ARD, a private consulting firm. He is also working full-time as the Coordinator for Community-based Environmental Sanitation and Hygiene for the USAID-funded Environmental Health Project (EHP). His professional and academic experiences have focused on establishing bridges among the engineering, international development, social science, and public health professions to improve health. Assignments with the firm have emphasized the design, implementation, and evaluation of participatory technical infrastructure improvements in informal urban communities.

Disaster Response and Mitigation in African Cities: The Case of Goma

Charles A. Setchell

**Urban Planning and Urban Disaster Mitigation Specialist
Technical Assistance Group, USAID/OFDA/DCHA**

Introduction

In mid-January of 2002, a volcanic eruption devastated Goma, a city of 450,000 people located in the Democratic Republic of the Congo (DRC). Lava eventually covered 13 percent of the city, or nearly two square miles, destroyed up to 15,000 houses (approx. 20 percent of city total), and caused tremendous economic losses. More jobs were lost than homes, and the urban and regional economy is still struggling. The USAID Office of Foreign Disaster Assistance (OFDA) responded with nearly \$5 million in disaster assistance, including support for a \$2.3 million transitional shelter project for 5,000 households. The presentation will provide an update on the shelter effort, discuss the many economic benefits realized as a result of that effort, and discuss the important project links to the larger issues of hazard mitigation and economic regeneration. Finally, the case serves as an example of OFDA's current efforts to promote "developmental relief" in African cities by linking disaster response and mitigation to economic development.

Seminar #4



Background

Nyiragongo, an 11,381-foot volcano located approximately ten miles north of the major eastern DRC City of Goma (elevation 4,839 feet), began erupting on January 17, 2002. Lava flowed from fissures on the southern flank of the volcano, and continued to open along a southerly line towards Goma. This eruptive activity triggered a massive exodus of the Goma population, with 300,000 people fleeing into Rwanda, with others fleeing to western communities, or elsewhere within the DRC. Most people returned by March 1, but some of the displaced still remain in outlying DRC communities, and a small number of displaced may still be in Rwanda.

The eruptive phase of the volcano ended on February 9, but seismic and volcanic activity continue to merit careful monitoring. The eruption of an adjacent volcano, Nyamuragira, further reinforces the claim that mitigation is a critical facet of any post-emergency assistance.

Emergency Response

To date, OFDA has provided approx. \$2.3 million to address basic needs such as water, food, health, and non-food assistance (e.g., blankets, household goods, plastic sheeting). Other USAID offices provided approx. \$2.3 million in assistance (mainly food). OFDA's European counterpart, the European Commission Humanitarian Office (ECHO), contributed the equivalent of \$5 million, and the remainder of the international community contributed an additional \$30 million in assistance.

Transitional Assistance

The humanitarian community began to shift towards “next steps.” Shelter emerged as the most pressing need, with some UN agencies advocating resettlement schemes for 500-2,000 families, the IOM seeking funding for large, camp-like projects in and out of the city, and Rwandan occupation authorities supporting large-scale solutions, both in and out of town.

Options identified included doing nothing, moving the city to a new site, moving people out of the region, moving people west of the city, moving people into camps, and promoting a “city-focused” option. These options were discussed at length among representatives of humanitarian response organizations, UN agencies, local associations, and local authorities.

What We Did: “M&M”, and Promotion of “City-Focused” Shelter Assistance

Compounding any decision on shelter assistance were the perceived and real security and political conditions in the immediate region, which constrained relocation options to the east, north, and west of Goma. Furthermore, the city is located on the northern shore of Lake Kivu, making large-scale southern movement of the displaced unlikely. Finally, the Rwandan-backed Rally for Congolese Democracy (RCD) was — and is — considered an occupation force in Goma, and people want to remain close to their former houses to prevent possible RCD appropriation.

OFDA proposed the following actions to the humanitarian community and local entities:

1. “M&M”

- Improve hazard monitoring (provision of seismographs and telemetry equipment to the Goma Volcano Observatory; GVO staff support; and TA to the GVO) and
- Promote hazard mitigation (two-year program to enhance early warning systems, improve awareness of what to do and where to go when eruptions and earthquakes happen, and promoting evacuation routes)

2. “City-Focused” Transitional Shelter Program

- Provide transitional shelter to up to 15,000 households: plastic sheeting, zinc roof sheeting, wood framing, cement screed floor, and a modest latrine
- Assistance would be used to expand or supplement host family homes, or build on (primarily) underutilized and vacant private residential parcels. Parcel-level support will increase the potential of shelters to evolve into permanent housing solutions, when compared to camp, or camp-like, projects
- Transitional shelter would be located in areas of Goma not inundated by lava. Pre-eruption gross density was approx. 8 dwellings per acre (du/ac). If all transitional shelters were located in unaffected areas, gross density would only increase to 10 du/ac
- There is enough land (between 50-60,000 parcels), and the only basic services available in eastern DRC are in the proposed area of application
- Shelter support within the city will concentrate assistance funds and livelihood opportunities. An estimated 75-85 percent of OFDA project funds will be spent in Goma, and assist direct beneficiaries (displaced families), indirect beneficiaries (contractors and input suppliers), and the broader community

Donor Response

The response has been encouraging, as follows:

- In addition to emergency assistance, OFDA is supporting a \$2.6 million package featuring the “M&M” component, as well as a transitional shelter project for 5,000 households. Roughly 3,500 houses have been built to date
- ECHO adopted the OFDA approach, and is supporting 3,000 households
- Other bilateral agencies are supporting 1,500, but several European countries did not act on initial funding offers
- A combined UNDP/UN Habitat effort to resettle families west of Goma has encountered several problems, resulting in very limited housing opportunities for the displaced

Lessons Learned

Among many, a focus on three:

- It’s never too early to start addressing shelter needs. With no UN, donor, or NGO shelter specialists present early on, at least a month was lost in “framing the sector”: identifying issues and needs, developing a common database and assessment tools, formulating strategies, and identifying commitments to action.
- “Developmental Relief” works. Development assistance is unlikely, but relief can fill the void if informed by a longer-term perspective and an emphasis on economics.
- Urban Planning is an important facet of “Developmental Relief,” which is an increasingly important USAID objective. Goma’s recovery is dependent upon regenerating the urban economy, which means concentrating what little activity there is to maximize possibilities. Hence, the “city-focused” approach to shelter and services delivery.

Charles A. Setchell, AICP, is the Urban Planning and Urban Disaster Mitigation Specialist at the USAID Office of US Foreign Disaster Assistance (OFDA), where he also serves as Shelter Specialist. He has more than twenty-five years of experience as a natural hazard mitigation specialist and urban, regional, housing, economic, environmental, and transportation planner, both in the US and other countries. His international experience includes work in the Philippines as a Peace Corps Volunteer, in Thailand as a Fulbright Scholar and MacArthur Foundation grantee, and elsewhere in Southeast Asia as a planning consultant. His last project immediately prior to beginning his current work at OFDA in 1998 was the design of a new city of 45,000 people in Indonesia. At OFDA, Mr. Setchell has helped design and implement a number of hazard mitigation and shelter repair and reconstruction projects in several countries, and seeks to promote disaster reduction and livelihoods through the integration of relief and development activities.

Livelihoods in the City: Challenges and Options for the Urban Poor

James L. Garrett

International Food Policy Research Institute

As the number of people living in the cities of the developing world grows, arguments over the wisdom of focusing attention on urban poverty abound. More of the poor, some argue, live in rural areas, and the poverty there is more severe. Why spend scarce resources on urban dwellers?

Even if organizations decide to tackle urban poverty, they find the urban challenge daunting. In rural areas, households are relatively more isolated. Livelihoods and the economy revolve clearly around agriculture. Programs can be more focused, more self-contained. In cities, the operating environment is more complex economically, politically, and socially. Some programmers fear this complexity will overwhelm any attempt to make a difference to the lives of the poor.

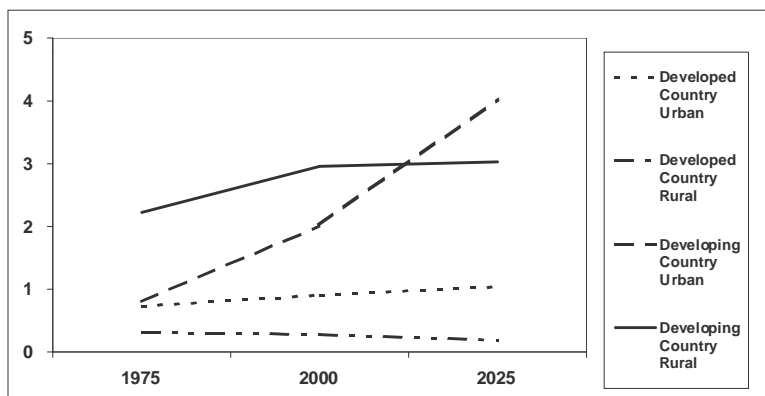
Since 1996, the International Food Policy Research Institute (IFPRI) has conducted a research program on urban food and nutrition security. Findings from that program call these perspectives into question.

This presentation examines three basic questions:

- Is urban poverty a problem in developing countries?
- What are the key aspects of urban livelihoods relevant for urban policies and programs?
- What are key elements of a successful urban programming strategy?

Growing Urban Populations, Growing Urban Poverty

Although currently the numbers of people in rural areas in developing countries outnumber those in urban areas, in a little over 10 years, by about 2015, that will change. The number in rural areas will level off, while the numbers in urban areas will continue to grow. By 2025, the urban population will be greater than the rural population in every developing-country region. Even now, Latin America is already more than 75 percent urban.



Seminar #5



Of course, increasing numbers of people in urban areas don't necessarily mean increasing numbers of *poor* people there. The rate of poverty reduction could outpace the rate of urban growth from migration and natural expansion. Unfortunately, in general, available data don't support that scenario. An earlier IFPRI study found that in seven of eight countries for which there were data, the location of poverty was shifting to urban areas over time, and the absolute number of poor people in urban areas was rising as well in five of the eight (Table 1). In many countries, it is not a question of waiting for the locus of poverty to shift. More than half of Latin America's 200 million poor people have lived in cities since at least 1990.

Table 1: The Urbanization of Poverty

		Absolute Numbers	
		Increasing	Decreasing
Percent in urban areas	Increase	Bangladesh, 83-92	Pakistan, 84-91
		China, 88-95	Colombia, 78-92
		Ghana, 87-93	
		India, 77-94	
		Nigeria, 85-93	
	Decrease		Indonesia, 90-93

Source: Haddad, Ruel, and Garrett.

Note: Numbers are years of surveys compared.

Urban poverty is a serious concern even for those countries where the great majority of the poor live in rural areas, or even when the transition in the location of poverty is occurring slowly. For instance, Mozambique is only about 35 percent urban, but with an urban poverty rate of 62 percent, over two million poor people live in its cities. This is more than the number of poor in highly urbanized Colombia, and over half the number of urban poor in Indonesia, with a population 12 times as large. In Bangladesh, the percentage of the poor in urban areas remained about the same, around 11 percent, from 1983 to 1992. But in this period, the numbers of urban poor grew from 6.7 million to 7.8 million. This jump of 15 percent corresponded to an increase of more than one million people.

More of the world's poor still live in rural areas, but these statistics make clear there are millions of urban poor whom we cannot ignore. In addition, pretending that there is a sharp delineation between rural and urban areas ignores the important economic and social connections between them. Concentrating on the rural poor alone will only worsen rural poverty. Cities provide markets, services, and goods for the countryside; focusing only on agriculture and rural areas to improve rural livelihoods ignores the rural dependence on cities and towns as energizers of rural growth.

Ultimately strategies must work to improve livelihoods in both urban and rural areas. The general outline of such policies is familiar: macroeconomic policies that generate jobs, without discriminating against the rural sector; transport and information infrastructure that link rural and urban areas; education and well-functioning financial systems, especially for credit; developed-country agricultural and trade policies that don't act as barriers to trade and equitable growth.

Urban Livelihoods

Urban poverty is a serious problem. What are some key aspects of urban livelihoods that programs and policies need to take into account? Below are some highlights from our own studies, and those of others.

Cash and Work

Urban dwellers cannot fall back on the same natural-resource cushion as rural dwellers do for basics such as food, water, and shelter. Urban residents purchase a high percentage of their food. Generally, the percentage of food that is purchased rises with city size. Table 2 shows examples from Egypt and Peru. Many urban dwellers rent their houses, which can be significant proportion of the household's cash budget. IFPRI has found that in countries as diverse as Peru and Malawi, housing is the largest budget item after food, taking about 10 percent of the budget.

Table 2: The Importance of Cash for Food

	Percent of Food Value Purchased
Egypt	
Metro (Cairo, Alexandria, El-Suez)	97
Other Urban	95
Rural	84
Peru	
Lima	91
Other Urban	88
Rural	62

Source: Author's calculations, using World Bank and IFPRI data.

Given how important cash is, what do urban dwellers do to earn it? Most of the poor are self-employed, or are in casual and insecure jobs. Men, and women, and children work. They are street-sellers, rickshaw drivers or construction or factory workers. A large majority do not say they have more than one job at a time; how do they have time for more, they say? At the same time, they do see themselves as having a trade or skill. They do not randomly pursue "odd-jobs," but have a profession.

Children in many countries work. The percentages can be relatively small, however. A recent IFPRI study found that 10 percent of urban children in Nepal, two percent in Peru, and three percent in Zimbabwe work exclusively. But five percent of children in urban Nepal and nine percent in urban Peru both go to school *and* work. Although working can have a negative impact on learning, these statistics show that working does not always come at the expense of school. Some research suggests that earnings from work can actually help the child afford school.

Educational expenses as a percent of the total household budget and children's contribution to household income may actually be rather small. With schooling such a small cost, and a large benefit, why wouldn't the family send the child to school? In urban areas where schools are available, these figures may mask the actual contribution of child labor to the household in terms of, say, not having to hire an extra hand. Furthermore, educational expenses may occur seasonally, making it difficult for poor households to pay them at the time. Food-for-education programs and cash-transfer programs have the potential to reduce the incidence of child labor and successfully encourage school attendance.

A large proportion of urban women work outside the home. Some have expressed concern that women's working outside the home could negatively affect a child's development and nutritional status. The evidence on this issue is limited and mixed. Increased income controlled by women may offset any negative impacts of maternal employment on children. An IFPRI study in Ghana, for instance, suggested that mothers arrange their work around their children. They tend to withdraw from the workforce when the child is young, and begin work again later once the child is older. These situations make it clear how important it is to have good quality childcare available.

The Surprising Importance of Agriculture

Agricultural production is often surprisingly prevalent in cities. The UNDP estimates that 800 million people work in some form of urban or peri-urban agriculture. Ninety percent of green leafy vegetables in Dar-es-Salaam are grown inside the city limits. The backyard dairy farms of Mexico City provide milk for almost two million residents.

In the major cities, agriculture is often an important, although not the main, source of income for the poor. Own-production, usually of small animals and fruits and vegetables, provides many households with more variety in their diets and an additional source of income. In a survey of unplanned areas of Dar-es-Salaam, 11 percent of peri-urban households listed agriculture or fishing as a primary occupation. Home gardens in Bangladesh have been shown to reduce Vitamin A deficiencies. In Kampala, Uganda, urban agriculture has been associated with lower levels of malnutrition. A number of initiatives focus on the use of urban agriculture to recycle organic wastes.

Outside large metropolitan areas, agriculture's importance increases. In Mozambique, while those in Maputo, the capital, buy more than 90 percent of their food, those who live in other cities rely on their own plots or take gifts from others for 25 percent of their food. In cities outside Maputo (including eight cities of more than 100,000 people), over half of all workers are in agriculture. More than three-quarters of working women list agriculture as their primary occupation. For Mozambique as a whole, agriculture is the primary job for 56 percent of the urban poor.

Agriculture is a direct source of income for many urban residents and provides the basis for urban-rural links in goods, services, and people. Agricultural products coming to the cities give jobs to traders, transporters, processors, and sellers. Inputs for agricultural production, including machinery, agrochemicals, or even credit, come from the cities. And urban residents may go back to the rural areas to keep land there or keep in touch with kin.

City Seasons

Changes in seasons affect urban dwellers just as they do rural dwellers. The threats to health that arise when rains cause sewers to overflow and spread disease are not unexpected. But the rains also affect incomes of the poor who work at casual jobs. Rains can bring the activities of rickshaw drivers, construction workers, and street vendors to a halt. And when work disappears in the rural areas because of the rains, rural dwellers migrate to towns and cities, competing with already-vulnerable urban residents for jobs. Rains in rural areas can also keep food from getting to the cities, so food prices increase, exacerbating the effects of declines in income.

Living on the Environmental Edge

Urban dwellers generally do have greater access to health facilities, schools, safe water, sanitation, and garbage disposal than rural dwellers, but this is far more true for the rich than for the poor. For instance, WHO and UNICEF estimate that globally 80 percent of the rich have access to safe water but only 20 percent of the urban poor do.

Many city governments cannot build infrastructure fast enough to keep up with growth. Those who can afford to do so live in areas with established facilities and services, but the poor, the most vulnerable, must live in the least desirable areas. They build on hillsides in danger of erosion; they live beside industrial plants spewing toxic waste; they cope without sanitation and drains, often sharing their small houses with raw sewage when it rains. Crowding inside and among houses worsens the contaminated conditions, making it difficult to maintain a hygienic house.

Making a Home: Land and Housing Security

Just as in rural areas, land tenure is a cornerstone of livelihood security. Insecure tenure for housing and for land makes programming difficult and can undermine project impact. The problem starts, of course, with the fact of being vulnerable. Those who have few other choices settle on the "last" and least desirable spots, areas threatened by pollution, erosion, or flooding.

When residents live as renters or without title, even these environmentally precarious sites do not provide stability. The land may belong to government agencies or to private landowners, who may fight among themselves for control of the land. In Bangladesh, for example, conflicts have arisen in study sites between the railroad company and national and local governments.

The stability associated with land and housing security is important for more than just having a “nicer place to live.” Insecurity actively undermines development. Development organizations hesitate to invest in areas where land tenure is not secure. They fear government or the private landowners may evict the squatter community, putting to waste substantial investments in infrastructure. On the other hand, housing security gives slum-dwellers a home-base: with stability, they have more incentive to care about their community and to establish home enterprises and social networks that can help them in times of trouble. The neighbor who knows of a job or the storekeeper who will provide food on credit is an essential component of the safety net of the urban poor.

Urban Myths: Perceived Challenges to Urban Programming

These observations underline the need for projects to take a holistic view of urban livelihoods. Staff of development agencies, who are often not used to working in urban areas, raise common questions about how to establish effective programs for the urban poor.

Their concerns include:

- Lack of tenure security undermines livelihood security and public investment
- Mobility of residents makes targeting and impact difficult
- Slums suffer from crime and violence – as a result of and cause of lack of social cohesion
- Urban communities are diverse
- Social networks are weak
- Political relations are complex.

Staff primarily seem to fear that projects will fail because projects have little community spirit to draw on. They worry about getting involved with the government because government officials may be corrupt or may put up obstacles to their work. In addition, whereas in rural areas income strategies can focus on agriculture, urban residents work in many different sectors. They may be self-employed, work for the government, or have wage-jobs in the private sector. The commonality among the poor, however, is that their jobs are mostly casual, uncertain, and lacking social protection.

Frequently staff look at the urban environment and feel that the needs of the urban poor are too great, that the causes of vulnerability are too complex, and the solutions too overwhelming. Yet some organizations have come up with creative solutions to these concerns, making fears of urban programming urban myth, rather than urban fact. The comments here draw largely on experiences with CARE’s work in Bangladesh, Ethiopia, and Peru. In Bangladesh, CARE is implementing a multi-component program to improve urban livelihoods in four cities; in Ethiopia CARE has supported a food-for-work program, and in Peru CARE assisted with community kitchens run by neighborhood women. USAID provided financial assistance to all these programs.

Secure land and housing

Understanding and dealing with land and housing tenure arrangements is critical to project success. One might think that tenure security is important only for building or infrastructure projects that could be destroyed or left worthless by evictions. But tenure security is important for social programs, like community kitchens, as well. For example, in Peru, local authorities sometimes tried to claim the kitchen, arguing that it was a government organization that belonged to them. But by owning their own space and incorporating their kitchen as an independent organization, the women could use the legal system to defend their ownership of the kitchen.

Of course, tenure also comes into play when assessing the benefits of improving infrastructure. If infrastructure improves, will landlords raise rents? Will the poor people who were the intended beneficiaries of the program have to move? If so, should donors not invest in improving infrastructure?

Or should they try to mitigate the impact of higher rents, through agreements with landowners or rent subsidies? To protect investment, organizations must from the beginning identify landowners, tenure patterns, and rules and regulations, and promote community involvement. Such an understanding is essential to avoid events like those in Bangladesh, where even with legal agreements with the municipal government, it turned out that the national government could also exert rights, and did when the party in power changed – leading to eviction of an entire community.

Dealing with mobility

Mobility of urban residents can potentially make targeting difficult and reduce project impact. Evictions can certainly erase any gains due to projects, and projects may completely miss those who are most vulnerable if they are the most mobile (the homeless, for instance). But the general perception that urban residents are too mobile for a project to have any effect seems misguided, perhaps related to the perception that *most* residents are rural migrants and that they have arrived only temporarily. But most of the urban poor are not recent migrants; they are in fact residents who need the stability to stay and build their homes and communities.

In Peru, many of the residents had fought for the land and for later improvements, such as in water and sanitation. They had been in the area 15 to 20 years and had no plans to move elsewhere. In Bangladesh, about 80 percent of residents in the two areas studied (one a suburb of Dhaka, another a good-size city) had been in the area for more than five years. In Ethiopia, with government ownership of land, there was very little movement in or out of the communities.

In addition, how much mobility matters much depends importantly on the nature of the project. Infrastructure projects and community kitchens, for example, meet the needs of the community, regardless of how mobile the population is.

Crime and Violence

City dwellers often perceive slums, sometimes fairly, as centers of crime and violence. The negative impacts on livelihoods are multiple. Violent crimes take away lives and livelihoods, undermine social unity, and threaten project staff. In Lima, communities had to deal with local youth gangs and terrorism in the shape of Sendero Luminoso. But crime is not rampant everywhere. In Bangladesh, outside the major metropolitan areas, violent crime appears to be rare. Rather, crime tends to illegal smuggling (alcohol, for example) and prostitution. In our study sites domestic violence is also prevalent and practically accepted by the women themselves as a legitimate way for men to express their frustrations. In developing and operating projects, working with community residents, who live with the community's crime and violence every day, can help to outline a strategy to deal with it.

Hopelessly heterogeneous?

Urban communities are amazingly diverse. Some are congested, filthy, and polluted. Others are almost bucolic. Livelihood strategies are also equally diverse. Density and the ease of transport in urban areas encourage this diversity: they bring ideas in and let people out to experience their world.

This heterogeneity can complicate programs, as social mores and networks, conditions, cultural practices, and livelihood strategies change from household to household and neighborhood to neighborhood. In rural areas, people tend to be from similar cultures, share closer kinship connections, and do similar kinds of work. In cities, residents can easily live independently and make connections outside their particular geographical area. As a result, community residents may not know much about each other.

Program strategies must take this into account. Programs to raise employment and income, for instance, will probably be more effective if they focus on providing the context for growth (training to increase worker productivity; policies to provide firms with credit and encourage them to identify and respond to market demand; and build good communications and transportation networks) rather than pursuing a sector focus, such as might be done in rural areas.

Urban diversity can also benefit the project. Urban dwellers may be more likely to welcome new activities. Cities also possess a range of social and political organizations for partners and intellectual and financial resources not easily found in the countryside. Project staff more easily supervise and facilitate activities because they are closer, and logistics can be smoother and less complex.

Social networks and cohesion

All these factors (tenure insecurity, mobility, crime, diversity) may weaken community cohesion and social networks. Project staff may despair of working in urban communities because they see little chance that residents will work together. Programs that depend on community interest or peer pressure, such as credit groups, may fail. Design and evaluation of projects may also suffer, if residents have limited knowledge of other members of their community.

But the presumption that urban dwellers have weak or no social networks is false. It seems to be based on the observation that rural dwellers form fairly homogeneous groups, circumscribed by geography. As a result, kinship and ethnic ties are quite evident. In addition, rural work activities revolve mostly around agriculture, so jobs, too, are seen as being “the same.”

Although it is true that some aspects of urban living encourage “independence,” others, such as relatively high education levels and ease of communication, actually encourage group action. Urban protests against structural adjustment policies are solid evidence that urban residents can form effective groups quickly. In cities, social relations extend beyond the geographic bounds of the community. They are founded in ethnicity and kinship as well as politics, social issues, culture, religion, sports, and employment. Illegal activities also form common connections among slum dwellers. Urban dwellers do have social networks, then. They may differ, but not necessarily weaker, than those in rural areas.

Urban dwellers also usually have at least some experience in working together. In Peru, the women who ran the community kitchens had decades earlier joined together to invade the land and demand public services like water and electricity. Funeral societies are common in Addis Ababa. Projects take advantage of the structure, or at least the experiences, these organizations provide.

The big advantage of working through existing organizations is that they have already overcome basic management obstacles. These groups have already dealt successfully with organizational problems in the community caused by social disunity, weak management capacity, or lack of resources.

As a final observation, just as projects depend on community cohesion to work, they may also be important means to strengthen community ties. As with mobility, the importance of that cohesion may vary with the project. Social unity may make little difference to individually targeted programs, for instance, but may matter a great deal to community-based maintenance of infrastructure.

Projects and Politics

The nature of urban living – among them, the crowded conditions, the scarcity and allocation of natural resources, the investments required for public services – practically requires government intervention. In urban areas, government authorities tend to play larger roles in daily life than in rural areas. In cities, informing local authorities and organizations about project activities is inevitable. Actively involving them can be beneficial, as it reduces the opportunity for mischief and can leverage resources they may have. Projects should not overlook informal authorities, including crime lords and community and religious leaders, who often exert a lot of influence on community activities.

For the most part, CARE’s programs dealt effectively with potentially troublesome local political relations. They kept government authorities at all levels involved and informed, even taking them on as partners. Maintaining good relations with local stakeholders and educating politicians and bureaucrats about the project can counter upheaval at the top. Legal agreements clearly outlined institutional roles, responsibilities, and commitments.

The project’s design and management should also be flexible enough to accommodate change. Project managers should assess how potential economic and political changes can affect the project, and

incorporate an ability to respond to them in design and management. Staff should be aware of continuously evolving economic, political, and social conditions, and adjust the project as necessary. Changes by donors in funding priorities proved to be the biggest challenge to the operation and sustainability of projects reviewed, not local political changes.

Elements of an Urban Programming Strategy

The urban poor seem to suffer from deprivation of almost every basic need. Their livelihoods are complex, the challenges they face are diverse. Faced with such diversity, some organizations are skeptical of pursuing urban programs.

CARE's programs in Ethiopia and Peru responded strategically to the programmatic challenge. Some elements of a successful urban program based on their experiences include:

- *Identify needs, constraints, and available resources.*

CARE staff entered the community cautiously. Although their programs' thrusts were previously determined, they informed themselves about existing activities of community organizations, of NGOs, and of political actors. They got a better idea of what resources – human, financial, and physical – the community offered.

By knowing the community, an outside organization like CARE can navigate tricky political relations, focus on strategic interventions, facilitate processes, and mobilize community and household human and financial resources.

- *Focus on a limited set of activities and exploit a comparative advantage.*

In both cases CARE identified its strategic niche and leveraged the resources it had. In Ethiopia, for instance, CARE understood that its comparative advantage was in building and maintaining roads. It left other activities to other organizations. World Vision, for instance, had expertise in building houses. World Vision and CARE could bring both better housing and roads to these communities if they worked together, instead of competing against one another.

- *Start small and scale up as you learn by doing.*

In Ethiopia, they expanded the program over time. They began in a few communities and began to wind down their work in the initial communities before beginning in new communities. In Peru, CARE staff and beneficiaries learned together, slowly. They started by using the skills that the women already had (how to cook) and built capacity in other areas over time (such as staffing and inventory management).

- *Develop good community relations.*
- *Empower the community and beneficiaries.*
- *Deal transparently, honestly, and sincerely with beneficiaries and other actors.*

Both projects used staff who were both empowered and empowering. The staff were well-trained and had a significant degree of independent authority. They respected the poor, and were committed to their project's mission. They cultivated the respect of the community by establishing well-known, fair rules that were enforced. This gained CARE great credibility among the residents.

The projects failed to pay attention to a few important areas, however. In Ethiopia, the project did not firmly establish how the communities would maintain the infrastructure that was built over time. By and large, the communities continue to look to outside agencies like CARE to do this. The project's benefits were not sustainable. The project did not provide the training or networks necessary for the workers, mostly unskilled women, to get and keep jobs after the project ended and so earn additional income.

More general lessons for urban programming strategy include:

- *City dwellers suffer from multiple deprivations, but improving livelihood security does not require addressing all of them simultaneously.* It does require thinking and operating strategically. Addressing one element of livelihood insecurity, for example, can have a positive impact on others. Increasing women's education can help to reduce malnutrition, for instance, even if incomes do not increase. Security of land tenure can lead to investment in housing and infrastructure.

CARE's programs in Ethiopia and Peru show that one effective response is to unravel the complexity and focus on a strategically-chosen strand. Ethiopia's Food-for-Work and Peru's community kitchens did not attempt to meet all community needs. Project heads also made the work more manageable by focusing on a community, or a neighborhood, rather than the whole city. Just as in a rural community, then, the staff could learn about political and social relations, lifestyles, problems, and potential solutions.

- *Use of a comprehensive analytical framework highlights strategic links and critical leverage points.* Use of such a framework helps programmers get out of a sectoral box in devising solutions or of considering "urban problems" to be simply ones of improving incomes or of infrastructure. Of course, as stated above, a comprehensive, integrated analysis does not require a comprehensive integrated solution. It simply means looking at links and for critical points of intervention, given links among the needs, available resources, and organizational comparative advantage.

- *Programs should tend towards facilitation, not implementation.* The current focus on sustainability and empowerment implies that communities and local institutions should implement projects, and outsiders should serve primarily as change agents and initial sources of expertise and financial resources. An urban improvement project in Madagascar, for instance, emphasized building community capacity and understanding. These communities now raise additional funds by writing their own proposals. These funds have extended the initial budget.

- *Donors and organizations should help to create the economic, political, and legal environment and project monitoring systems that promote facilitation.* Developing community capacity to manage programs and access outside resources takes time, as does helping authorities recognize their own responsibilities to vulnerable populations and to the democratic process. Creating conditions for others to implement a project usually takes longer than if the organization simply implemented a project itself, but it doesn't create capacity or enhance the prospects for long-term sustainability.

Innovative financial arrangements should bring funders closer to communities. Generally, donor aid goes through or must be approved by a national government, providing an obstacle to true decentralization and the building of design and management capacity at the local level. Project development guidelines and monitoring and evaluation tools, such as logical frameworks, generally reflect an assumption that the recipient of the funds will implement, not facilitate, the project. Donors must change this approach to promote facilitation. They should pay greater attention to timeframes needed for capacity-building, employ phased indicators appropriate to the timeframe, identify new indicators of process and facilitation and capacity-building, and incorporate flexibility in the design of the project .

- *Donors must set up mechanisms to ensure sustainable direction of the project by the community or beneficiaries.* One researcher noted that there is "nothing more destructive for the development of accountable, effective community organizations than to encourage their involvement and then ignore them when this is completed successfully." Despite frequent murmurings about ensuring "sustainability," few projects actually build in mechanisms to do so, say by either developing community capacity or setting up a financial fund.

In addition, the concept of sustainability often suffers from the perception that sustainability means that a project must continue practically forever, without outside funds. In some instances, projects do indeed require outside assistance. Social programs even in developed countries generally require continued support of the government through taxes. Why should developing-country projects be different?

Furthermore, some projects should not be “sustained” for a long period of time. Community needs and priorities change. These projects do not need to be continued, nor do donors need to worry that they will be.

The bottom line is that urban poverty deserves attention, and while urban livelihoods are complex, the complexities are manageable. Understanding urban strategies, and thinking and operating strategically are key.

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James L. Garrett is a Research Fellow in the Food Consumption and Nutrition Division of the International Food Policy Research Institute. He co-leads a research program at IFPRI on urban livelihoods and urban food and nutrition security. In recent years, he has worked extensively with CARE on issues related to urban livelihoods and urban programming.

Children in the City: A Case Study from Burkina Faso

Julia Dayton

The Population Council

Gabriel Pictet

The Population Council and

Unité d'Enseignement et de Recherche en Démographie

Seminar #6

Introduction

Burkina Faso remains one of the poorest countries in the world. It ranked 169th out of 173 countries in the 2002 United National Development Programme's human development index¹. As of 2000, annual per capita GDP was \$220, lower than in most of Burkina Faso's neighbors. Government surveys have shown great disparities in wealth and health between urban and rural areas. In 1998, 51 percent of rural households versus 11 percent of households in the two cities of Ouagadougou and Bobo-Dioulasso had expenditures falling below the official poverty line of \$123 per person per year². The most recent Demographic and Health Survey (DHS) conducted that same year found that the under-five mortality rate was 235 per thousand live births in rural areas as compared to 133 per thousand live births in Ouagadougou³.



Such rural-urban comparisons should not obscure the fact that child mortality remains quite high in Ouagadougou. For example, the under-five mortality rate in Ouagadougou is roughly the same as the *national* under-five mortality rates of neighboring Cote d'Ivoire (138 per thousand live births) and Ghana (110 per thousand live births). Moreover, analysis of data from other large developing country cities has shown that such average statistics for all the population of a city obscure the considerably higher mortality and morbidity (child malnutrition in particular) experienced by the poorest 20 percent of the population^{4, 5, 6} or those living in disadvantaged neighborhoods^{7, 8, 9}.

As a result of high national fertility and rural-urban migration, Ouagadougou is among the fastest growing cities in Africa. According to the two latest national censuses, it grew at an annual rate of 4.3 percent between 1985 and 1996^{10, 11}. The United Nations estimates that the population of Ouagadougou was 1,130,000 in 2000 and will reach 2.5 million by the year 2015¹². Ouagadougou is steadily spreading out as many of the most recent migrants move into informal squatter settlements ("*non-loti*" in French) on the periphery of a core area that is equipped for residential development ("*loti*" in French — see Figure 1).*

* Loti areas are zoned residential areas where the local government invests in social services (school, health centers) and where homes can be connected to the water, electric and telephone grids. Lot owners in the loti areas have legally registered land ownership. In the periphery of Ouagadougou, lots are informally allocated by the traditional land chiefs (Tengsoba) to families. These families are not the legal owners of the lot they occupy until the local government starts the zoning process by mapping the area and selling the lots to their occupants. It is during the zoning process that the electric and water grids are installed. To summarize, non loti areas are characterized by precarious land occupation, the absence of electricity, piped city water, public schools and public health centers. These commonly used definitions of *loti* vs. *non-loti* are at variance with those used by urban planning officials who use the term *loti* to designate urban land which the government has surveyed for development in the coming years.

Acknowledgements: A more detailed version of this paper was submitted to a peer-reviewed journal under the title "Urban inequalities and child health equity in Ouagadougou, West Africa." Its authors are Robert Pond (Unité d'Enseignement et de Recherche en Démographie), Viviane Ky (Population Council and Unité d'Enseignement et de Recherche en Démographie), Julia Dayton, and Gabriel Pictet.

A partnership of organizations, including the Population Council and the *Unité d'Enseignement et de Recherche en Démographie* (UERD) of the University of Ouagadougou, has established an **urban equity gauge** to provide the national, regional and international scientific community with a research and training platform for evidence-based social policy recommendations. The Ouagadougou gauge monitors trends and disparities in health, schooling and habitat/urban environment. The backbone of this research platform is a demographic surveillance system (DSS) that can be combined with findings from periodic panel household and service provider surveys to assess trends in health practices and other intermediate social and health indicators. A geographical information system (GIS) is being implemented to describe and analyze health-seeking behaviors, the spatial disparities in the supply and demand of health and health-related services.

UERD established a pilot DSS in two census enumeration areas in two very different neighborhoods in Ouagadougou selected for initial micro-level studies. Both pilot neighborhoods are located in the eastern half of Ouagadougou. Wemtenga is in a *loti* area of the city that has been developed since the 1980s. Taabtenga, on the other hand, is a squatter settlement located just outside of the *loti* area. Both neighborhoods are described in detail below. Qualitative and quantitative surveys are underway in and around the two DSS pilot sites to assess a) how to mobilize heterogeneous and often divided urban neighborhoods for effective health promotion; b) how to make the most cost-effective use of outreach in an urban setting; c) how to strengthen the quality and accessibility of popular private health services; d) without major additional investments, how to make best use of the large number of existing public health facilities and staff to provide key, life saving services; and e) how to provide for demographic surveillance of a mobile urban population using pocket PCs and a household registration system (HRS) adapted to the urban setting and to the needs of a controlled trial.

Materials and Methods

The focus of the present study was on the health of young children up to the age of five years in the two pilot neighborhoods. Health is influenced by many social, economic and environmental factors affecting each individual. To assist with the selection of indicators and the analysis of data on such a complex array of factors shaping child health, the researchers employed a framework derived from that of Mosley and Chen¹³. According to this model, stunting (statural growth faltering) can be used as a proxy indicator of the general health status and the relative risk of mortality of various subgroups of young children. Child mortality and growth faltering are the outcome of socio-economic determinants (e.g. household access to and use of water) acting through various proximate determinants (e.g. incidence of water-borne and water-washed diseases).

The data used in this paper were obtained from two surveys. First, the Ouagadougou reproductive health survey (ORHS) includes a randomly selected sample of 963 women of reproductive age belonging to 435 different households.* The sample is representative of households with women of reproductive age, but it is reasonable to assume that with respect to distribution of wealth they are representative of Ouagadougou as a whole. The second source of data is a demographic surveillance study (DSS) in the two pilot neighborhoods covering a population of 2,981 individuals and 683 households in Taabtenga and 1,986 individuals and 393 households in Wemtenga. The baseline census was conducted in February 2002. Interviewers visit all households every three months to collect data on pregnancies, births, deaths, marriages, school attendance and migration. The panel health and anthropometric survey was conducted in all the DSS households with children under five.** A total number of 358 households in Taabtenga and 117 households in Wemtenga were administered questionnaires on child health.

Assessment and analysis of stunting: Using the nutrition sub-program of Epi-Info 2000, anthropometric Z-scores for each child were calculated based upon the 1978 CDC/WHO reference.

* The sample comes from 57 census enumeration areas (EA) randomly drawn from the 700 EAs of Ouagadougou. All households in the 57 census zones were enumerated two weeks before the survey. From the enumeration list, 446 households were randomly selected proportionally to the number of women of reproductive age.

** Weight was measured using a UNICEF electronic scale. Using a standard height board, standing height was measured for children 24 to 59 months while reclining length was measured for children under 24 months.

Children whose height was more than two standard deviations below the mean for their age were defined as stunted. The prevalence of stunting in a developing country is typically negligible among infants less than six months of age then rises sharply until reaching a plateau at about one and a half years of age. To avoid confounding the association between stunting and age-associated risk factors/protective factors (e.g. immunization coverage, regular attendance at well-child clinics, etc.) relative risks were calculated based upon children 12 to 59 months of age.

Calculation of a wealth index: To study the distribution of wealth in Ouagadougou and in the two pilot neighborhoods, values of a wealth index were calculated for each household in the ORHS dataset using principal components analysis of data on two indicators of housing quality (number of rooms inhabited by the household; and wall construction) and five indicators of household assets (television, radio, bicycle, motorcycle and car). With one exception, the methodology and the indicators were those described by Montgomery *et al*¹⁴ and used by Gwatkin *et al*¹⁵ to estimate household wealth based upon data from DHS data of Burkina Faso and other countries. For Ouagadougou, wall construction (concrete vs. dried earth) was substituted from floor construction (concrete vs. earth) because it was found that even in *non-loti* EAs more than 95 percent of dwellings had concrete floors while there was considerable variation in wall construction (more than 90 percent earth in *non-loti* neighborhoods vs. less than 30 percent earth in *loti* neighborhoods). Using the STATA factor command, weighted data from the ORHS dataset were used to calculate coefficients and determine wealth deciles that were representative of Ouagadougou as a whole. These same coefficients were then applied to the DSS data to calculate the wealth index for each of the 683 households in the pilot neighborhoods including all of those surveyed during the panel.

Data analysis: All data analysis was carried out with STATA version 7.0. Assessment of risk is estimated by crude relative risks not controlled for the effect of other variables with the noted exceptions of wealth and residence in non-loti versus loti. Also computed are the “attributable fraction (population)” which can be thought of as the percentage of stunting among all of the children of this age in the given neighborhood that can be attributed to the special characteristics of the disadvantaged group. It is a function of both the relative risk and percentage of the population that is included in the disadvantaged group.

No confidence intervals are given for the various statistics as the DSS and panel data are from a complete population rather than from a randomly selected sample of that population. Thus, aside from the selection biases noted and discussed above, the data provide precise statistics for the children in the given neighborhoods.

Qualitative research: Data from the above described quantitative studies were supplemented with and corroborated by findings from focus group discussions and interviews with key informants. This qualitative research was conducted by Mwangaza Action, a founding partner in the Ouagadougou Equity Gauge.

Results

Inequalities in wealth and immunization between loti and non-loti neighborhoods in Ouagadougou

Distribution of wealth in Ouagadougou

As shown in Table 1, principal components analysis of the household wealth indicators from the ORHS dataset showed that the distribution of wealth is markedly different between *loti* (74 percent of the sample) and *non-loti* households (26 percent of the sample). *Loti* households account for 97 percent (106/109) of the households in the wealthiest quartile. In *loti* neighborhoods, more households (33 percent) fall into this top quartile than into any other quartile. The percentage of *Loti* households in each quartile drops progressively as quartile wealth declines. Conversely, in *non-loti* neighborhoods, almost half (47 percent) of households fall into the poorest quartile and the percentage of households in each quartile drops progressively as quartile wealth increases. Nonetheless, the data also demonstrate that there is great heterogeneity in wealth within *loti* as well as within *non-loti*.

Table 1: Distribution of the Wealth Index Between Loti and Non-Loti Neighborhoods of Ouagadougou: weighted households in the sample (percentages)

	<i>Loti</i>	<i>Non-Loti</i>	All Households
Top quartile (wealthiest)**	106 (33%)	3 (3%)	109 (25%)
2 nd quartile	84 (26%)	25 (22%)	109 (25%)
3 rd quartile	77 (24%)	31 (28%)	108 (25%)
4 th quartile (poorest)	56 (17%)	53 (47%)	109 (25%)
Total Households	323 (100%)	112 (100%)	435 (100%)

** indicates statistically significant difference between the loti and non-loti areas at 0.01 level of significance.
Source : UERD, 2002 ORHS (UERD)

Immunization coverage in Ouagadougou

As can be seen in Table 2, from the ORHS data, there are no major differences in vaccination coverage between *loti* and *non-loti* EAs. There appears to be a correlation between vaccination coverage and wealth index. This has important implications for urban health equity that will be discussed below.

Table 2: Comparison of Immunization coverage between loti and not loti EAs and wealth quartiles (children 12-59 months) in Ouagadougou

	BCG (%)	DPT3 (%)	Measles (%)
All children (n=300)	95.5	90.5	80.2
Loti	95.8	89.6	80.0
Non-loti	95.0	92.2	80.5
Wealthiest quartile	98.7	96.0	87.0
2 nd quartile	95.2	94.5	86.9
3 rd quartile	95.6	82.4	74.5
Poorest quartile	92.2	88.7	70.3

Source : UERD, 2002 ORHS. No significant differences between loti and non-loti nor between wealth quartiles in immunization coverage.

Differences in health characteristics between two neighborhoods

The differences in the prevalence of stunting in the two neighborhoods are discussed further in the next sub-section. It is striking that while stunting (i.e. chronic malnutrition) was almost three times as prevalent in Taabtenga as it is in Wemtenga, acute illness (wasting, fever, cough, diarrhea) was *not* more prevalent.

In both neighborhoods, caretakers of children with diarrhea or fever in the previous two weeks relied heavily on auto-medication.

In the *loti* community a significantly higher percentage of children were feed by persons other than their mothers. In contract, in the *non-loti* community a significantly higher percentage of the children's caretakers (mostly their mothers) could not correctly read and interpret written instructions for giving a medication nor the growth curves of a pair of road-to-health charts.

Children in Taabtenga were less likely to sleep protected by mosquito nets and to have been weighed in the last 12 months but (echoing the findings from the city-wide ORHS survey) they were no less likely to have been vaccinated against or vaccinated on time (within three months of the recommended age).

Table 3: Prevalence in the two pilot neighborhoods of stunting and other health indicators for children age 12 to 59 months: Taabtenga vs. Wemtenga

	Taabtenga	Wemtenga
Number of children	339	87
Stunting	79 (23.3%)	7 (8.1 %)
Wealthiest quartile	2/20(10%)	3/45(6.7%)
Bottom 3 quartiles	77/319(24.1%)	4/38(9.5%)
Acute morbidity		
Wasted	52 (15.3%)	14 (15.9%)
Fever last two weeks	61 (14.8%)	29 (23.0%)
Cough last two weeks	58 (14.0%)	15 (11.9%)
Diarrhea last two weeks	60 (14.5%)	21 (16.6%)
Home treatment of illness in last 2 weeks		
Diarrhea auto-medicated*	24/55(44%)	8/16(50%)
Fever auto-medicated	46/61(77%)	16/26(62%)
Feeding practices		
Mother was not feeder	36 (9.8%)	24 (23.5%)
Fewer than 5 feedings per days	271 (75.5%)	70 (70.7%)
Child fed himself	295 (84.7%)	73 (76.8%)
Knowledge of caretaker		
Caretaker not reading**	328 (89.6%)	58 (56.3%)
Caretaker cannot correctly read 2 growth curves	291 (79.2%)	50 (49.5%)
Utilization of preventive health services & products		
No bed nets	337 (92.0%)	81 (78.6%)
Not weighed in last 12 months	243 (66.0%)	48 (47.5%)
BCG coverage	410 (91.3%)	121 (90.35)
DPT3 coverage	363 (81.4%)	109 (81.3%)
Measles coverage	323 (72.4%)	95 (70.9%)
Did not receive DPT3 before 7 months of age	129 (37.2%)	38 (38.4%)

Differences in risks of stunting

As noted in Table 3, among children 12 to 59 months of age, 23.3 percent were stunted in Taabtenga compared to 8.1 percent in Wemtenga. Thus the crude relative risk of stunting in Taabtenga compared to Wemtenga was 2.9.*** This relative risk was 1.5 (.100/.067) among children with household wealth among the richest 25 percent of Ouagadougou whereas it was 2.56 (.241/.095) for children with household wealth among the bottom three wealth quartiles of the city. The Mantel Hansel combined relative risk of stunting in Taabtenga compared to Wemtenga controlling for household wealth was thus 2.3.

Two categories of disadvantaged groups stand out as accounting for large portions of the stunting found within Taabtenga as well as Wemtenga (not shown in table). These are children living in the households ranked among the bottom three wealth quartiles of Ouagadougou (attributable fraction of 57.1 percent in the case of Taabtenga and 17.1 percent in the case of Wemtenga) and children from households where key adults (the head of the household; the child's mother; the child's caretaker) have not completed even primary school (attributable fractions ranging from 25.7 percent to 37.4 percent).

Conclusion

The analysis has highlighted urban inequalities, shown that some of these inequalities are spatially clustered and demonstrated that they are associated with an adverse child health outcome. It has

* The child was treated with a modern medication obtained without a prescription then he/she was not subsequently taken to a health facility.

** The caretaker was unable to read and interpret instructions in French for administering a medication: « Give the child all of the pills until they are finished, even if the child is better. »

***Combining the population of the two neighbourhoods, the population attributable fraction for residence in Taabtenga as a risk factor for stunting was 60 percent.

highlighted and characterized the disadvantages faced by the children of several interrelated groups of households in two neighborhoods of Ouagadougou: those in the bottom three wealth quartiles of the urban population; those residing in *non-loti* areas and those headed by persons lacking basic education. These two neighborhoods are not presumed to be representative of Ouagadougou as a whole, although the evidence from the city-wide ORHS shows that their distributions of wealth and vaccination coverage are typical for Ouagadougou's *loti* and *non-loti* areas respectively.

The limited populations of these two neighborhoods did not permit the sort of extensive multivariate analysis needed to control for all confounding. Nonetheless, we did find that the poverty and *non-loti* residence were robustly associated with stunting even after controlling for each other.

We also call attention to behaviors such as auto-medication that are shared by residents of both communities. While use of medicines without a prescription is risky (and we found that chloroquine in particular is frequently used ineffectively in both communities), self-medication is seen by more affluent as well as more disadvantaged *Ouagalais* as an indispensable solution to common health problems. For this reason Burkina public health authorities are trying to strengthen self-medication with chloroquine in particular rather than discourage it¹⁶. The Making Cities Work grant will support efforts to test ways to improve self-medication in these two neighborhoods as one strategy for addressing childhood illness.

Julia M. Dayton is a research associate in the Policy Research Division of the Population Council. She coordinates the division's research on urban health and poverty in Africa and also conducts research on the impact of the AIDS epidemic on the family. Prior to joining the Population Council, Dayton was a National Institute of Mental Health post-doctoral fellow at Yale University, where she evaluated the effectiveness of the HIV prevention intervention in developing countries and analyzed the effects of the epidemic on the family. Dayton also served as a consultant to the World Bank, where she assessed the effectiveness of HIV prevention and mitigation interventions.

Gabriel C. Pictet is a consultant to the Policy Research Division of the Population Council seconded to the l'Unité d'Enseignement et de Recherche en Démographie (UERD) at the University of Ouagadougou, Burkina Faso. He provides technical assistance for research in the areas of urban health and poverty. Prior to this assignment, Pictet was a Mellon post-doctoral fellow at the University of Montreal, Department of Demography where he conducted research at the Bazega Community Health Field Station on the determinants of changes in contraceptive use and fertility behavior.

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Improving Child Health and Nutrition in Urban Slums in India: A Consultative Program Approach

Dr. Siddharth Agarwal

**Country Representative and Urban Health Director
EHP-USAID India Urban Health Program**

The Challenge

Urbanization in India

Uncontrolled inward migration and increasing population density is resulting in the unplanned development of cities. Over the 1991-2001 decade, the rural population in India grew by 18 percent, whereas the urban population showed a growth of 31 percent¹. According to UN projections², it appears very likely that urban India will march ahead of rural India in terms of population by 2025.

The quest for better livelihood opportunities has led to large-scale migration and the mushrooming of slums in Indian cities. Unfortunately, the urban poor do not have access to many of the benefits of urban development.

In the last decade, as India grew at an average annual growth of two percent, urban India grew at three percent, mega cities at four percent and slum populations rose by five percent³ (aptly summarized by a demographer as the 2-3-4-5 syndrome). One of every four Indian citizens is now living in an urban area. Many live in slums or illegal squatter settlements without basic infrastructure and public services, and are currently defined as “poor” or “very poor.”

Health of the urban poor

Recent studies have shown that the health of the urban poor is as bad as or worse than that of their rural counterparts. As a result, there are thousands of unnecessary maternal, child and adult deaths, and millions of days of disability and productivity lost each year.

Table: Determinants of Child Health among urban poor in India⁴

	Urban Poorest	Rural Poorest
IMR	121.2	108.9
U5MR	143.6	155.0
Children Stunted %	69.3	55.2
Complete Immunizations %	16.6	17.1
Home Deliveries %	80.5	93.5

Seminar #7



¹ Census of India, 2001, Provisional Figures

² World Urbanization Prospects: The 1999 Revision (2000) in Brocheroff M, An Urbanizing World: Population Bulletin, Vol. 55 (3), September 2000

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In the central Indian State of Madhya Pradesh, the initial site for this program, determinants of infant and child health show a dip for the worse in the low-income urban groups. Infant mortality is more than twice as high and child mortality is practically three times as high among children in households with a low standard of living index as among children in households with a high standard of living index.

Similar studies for Indore, industrial hub of Madhya Pradesh and the first project site, are not available. However, focus group discussions with slum dwellers, observations during transect walks and interactions during the past several months suggest that the picture in Indore would be very similar.

The state of health of the urban poor vis-à-vis the rich clearly underlines the significance of targeting resources and efforts where they are most required. This is all the more crucial in urban programming because (a) average statistics (which are the common form of data available) reflect a skewed image of the health of the urban poor and (b) poor urban dwellers very often reside in unrecognized pockets and hence are missed by development programs.

Multiple Stakeholders

With a backdrop of compromised child health status in urban slums, the India Urban Health program is presented with a large multitude of stakeholders in Indore:

- Public sector services:
 - Dept. of Public Health – principal public sector providers of preventive and curative health services
 - Municipal Corporation – responsible for water supply, sanitation, drainage and overall governance issues
 - Dept. of Women and Child Development – provide nutritional supplements (for pregnant and lactating women and children) and health and nutrition education at the community level.
 - Employees State Insurance Services (ESI) – these services have a good presence in some parts of the city and cater to a good proportion of slum population.
- NGOs, which represent organized civil society, and engage in efforts at community development and strengthening linkages with development schemes of the Government.
- CBOs that are the organized face of the community and have a large presence in the slums of Indore. Most of these began as self-help and micro-credit groups or neighborhood development associations and many now have significant development experience.
- Private providers (largely unorganized and belonging to the informal sector) – they serve a large proportion of urban slum dwellers;
- Charitable hospitals - provide preventive and curative services in several areas of the city, and could play a still more effective role in providing health services to the underserved urban poor.
- Corporate sector – potentially can have a sizable role. Several major Indian corporate entities have been considering the issue of “corporate social responsibility” more persistently over the last decade.

The USAID-EHP India Urban Health Program:

Goal and objectives:

The goal of the program is to bring about sustained improvement in child health in urban slums in select cities in India.

The main objectives are:

- Increased coverage of services and adoption of key health behaviors in neonatal survival, diarrhea control and other child health priorities
- Improved capacity of CBOs, NGOs, private and public sector health providers in health behavior promotion, use of child health data, and building partnerships
- Better targeted policies and increased allocation of resources for urban slum health
- Development of replicable models for urban child health programs.

Technical focus of the program:

- Diarrhea prevention and management
- Care at birth and newborn care
- Immunization
- Malnutrition
- Pneumonia

Expected Outcomes

To serve as a guide to implementation, the program envisages the following as outcomes over the next two years.

A. Improved adoption of emphasis child health behaviors and coverage of key services

E.g.: Lowered diarrhea incidence, improved hand-washing and related practices; Greater child immunization coverage and reduced drop out; Increased tetanus vaccination coverage among pregnant women; Increased births by trained attendant; Improve neonatal care (early initiation of and exclusive breast feeding, warmth, infection prevention, recognition of danger signs and appropriate extra care of sick baby), Increased clean birth practices.

B. Urban Health Models evolved and documented

- UHP implemented and effectiveness of approach monitored in five slum clusters of two cities;
- Models for developing and implementing city urban health program documented.

C. Coordination mechanisms in place

- City Urban Health Alliance functional and ward level core groups active in two wards in Indore.

D. USAID supported TA and Capacity Building

- Neonatal care, BCC, and counseling included in training curricula of health workers, training modules available;
- Needs-based technical assistance provided to public sector agencies and others.

E. Private practitioners:

- One approach to working with private practitioners developed & tested in terms of improved quality of care.

F. Improved Capacity of CBOs

a. Twenty CBOs (Indore) show three of the following capacities:

- Two representatives have adequate technical child health knowledge;
- CBOs develop capacity to monitor and track practices;
- CBOs demonstrate improved BCC capacity (e.g. composing and chanting health songs);
- CBOs establish linkage with health service providers of at least two public sector departments.

b. Ten CBOs have a Health Fund dedicated for the basti (slum neighborhood) health program.

The Approach in Indore

The approach followed in Indore, the first program city, has been a consultative one focusing on learning from stakeholders and collectively identifying program directions. Three activities that have been going on simultaneously are:

- Situation analysis/data compilation;
- Health vulnerability assessment and mapping of slums; and
- Evolution of partnerships and coalitions.

Situation analysis included compilation and analysis of child health data from secondary sources, collection of primary data through rapid qualitative methods (primarily focus group discussions), assessment of capacities of NGOs and CBOs, assessment of service coverage and of the systems and structures that support these services. The vulnerability assessment was conducted as a participatory activity with the community represented by CBOs and NGOs and of public sector employees. The criteria of health vulnerability identified by the stakeholders were qualitative and were applied subjectively to groups or clusters of similar slums based on the local residents' understanding of the slums. The consensus among all participants in the multi-stage assessment indicated that despite the qualitative and subjective method used, the list of health vulnerable slums is understood similarly and consistently by all. Through a series of consultations with several sets of stakeholders, some key partnerships are emerging. These are described below.

Two major program activities that will be undertaken by the program over the coming year are:

- Multiple Stakeholder Capacity Building involving systematic needs assessment, training, mentoring, and other capacity building activities;
- Behavior Change and Service Improvement through formative research and other information collection, and technical assistance to NGOs, CBOs, health service providers.

Partnership Models

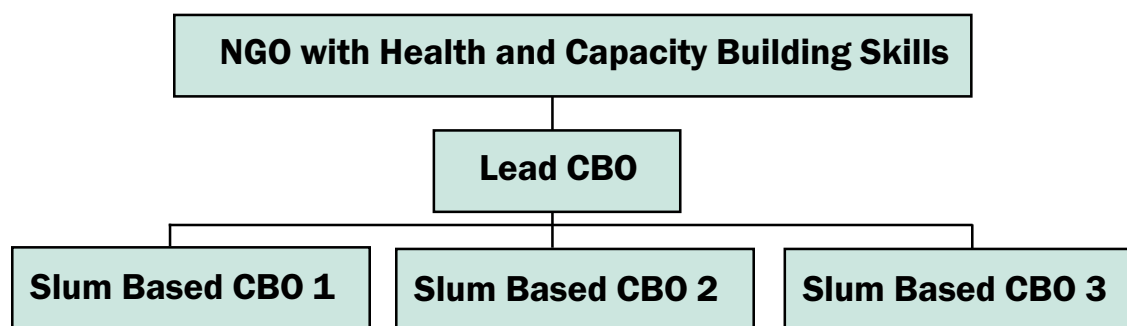
The UHP, through its intensive and consultative interactions with the various stakeholders and players in Indore, is arriving at several models for working in partnership arrangements between the NGO/CBOs, the other service providers and municipal authorities and departments. Different models will be put into practice and the results documented for future similar efforts.

Partnership Model I: NGO-CBO partnerships

This partnership model aims at enhancing demand and strengthening community linkages with Auxiliary Nurse Midwives, Anganwadi Workers, charitable hospitals, and other providers. It is not based on geographic divisions of the city, but on the reach of CBOs and NGOs in the slums communities.

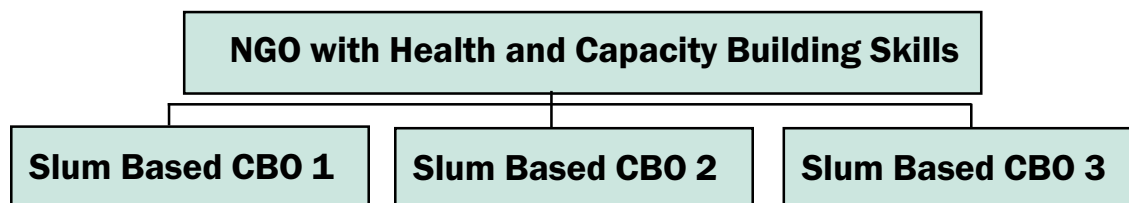
I a.

NGO Builds Capacity of Lead CBO



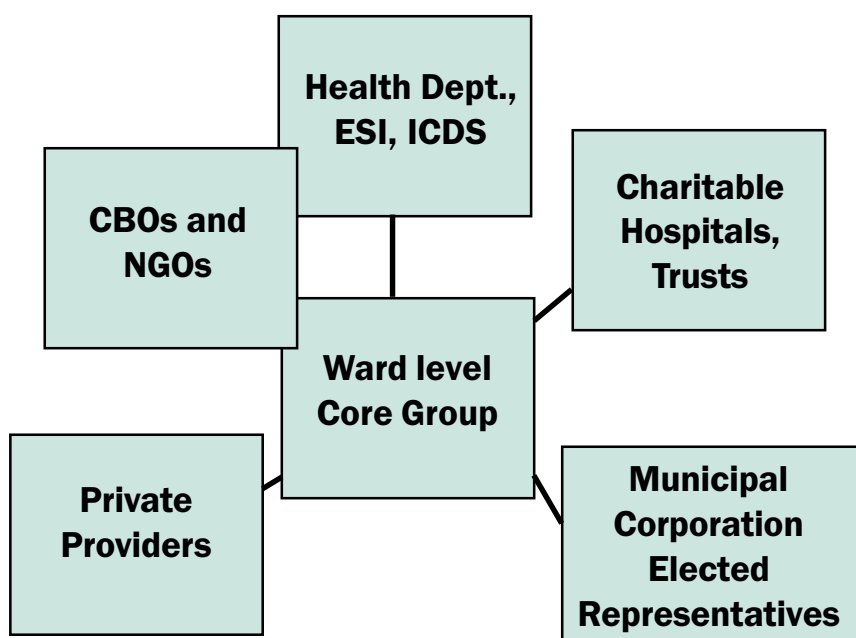
I b.

NGO Working Directly with Slum Based CBOs



Partnership Model II - Ward Level Core Group Model

Focused on improving quality and coverage of Public Sector services through better coordination and community linkage.

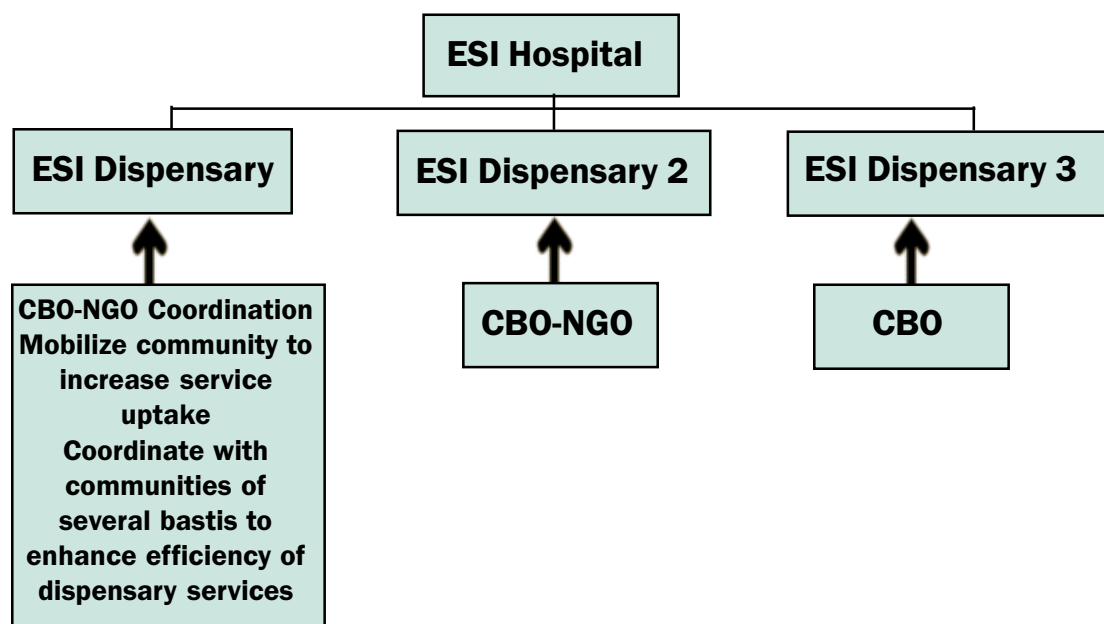


Envisaged role of the Ward-level Core Group:

- Review, monitoring and tracking of quality and coverage
- Strengthen information system
- Develop participatory monitoring tool

Partnership Model III: ESI and NGO-CBO Partnership

III. a. The Employees' State Insurance Services have nine outreach dispensaries in Indore that provide basic health services. ESI propose that coverage through these dispensaries and the quality and efficiency of services can be strengthened through partnership with NGOs and CBOs of the area.



III b. ESI Mobile clinics:

ESI, in addition to the nine dispensaries, have a mobile van, which has been out of use for the past couple of years and can be revived with some effort. This van can provide basic preventive and first contact curative services at ten locations. The locations for this mobile dispensary can be planned for it to be effectively utilized to reach slums where the State Department of Health has insufficient reach. NGO-CBO partnerships can help in planning locations, establishing linkages with communities and also perhaps trying a system of cost recovery.

Conclusions/Findings/Lessons

The consultative process adopted has helped the team learn a good deal about programming options and likely effective approaches. Following are some early lessons:

Health Vulnerability in Slums:

- One-fourth of 525 Indore slums are vulnerable for child health. This understanding will help in targeting resources efficiently.
- Majority of vulnerable slums have CBOs, some active for more than ten years. CBOs will perhaps serve as the critical link with communities and families and also help in strengthening community capacity to positively contribute to urban health efforts.

Vulnerability as seen by the Community:

- Community representatives (CBOs and NGOs) defined criteria for assessing health vulnerability of different slums and identified the following as vital criteria: Economic and social issues, environment (water, drainage, and sanitation), access and quality of public health services,

access to fair credit and collective slum improvement (CBOs). Communities are able to identify issues associated with varying health vulnerability among different slums and such a participatory vulnerability mapping helps in targeting resources adequately.

- Some slums have been repeatedly been fortunate to benefit from slum development or related programs and schemes, whereas many slums are yet to have such benefit. This also contributes to the level of health vulnerability in different slums.

Services and Linkages:

- Public sector services, coverage and information systems require strengthening.
- Linkages between public sector and communities need strengthening and are crucial to improving the reach as well as the quality of these services.
- Currently, Integrated Child Development Scheme (ICDS), a grass-roots nutrition and health program of the Government, reaches a very small proportion of the identified vulnerable slums in Indore. Expansion of this program is important to enable the urban poor to benefit from the services.

Partnerships and Coordination:

- Partnerships and coordination among Public Sector and Civil Society Organizations and Corporate Sector is a workable way for programming and is essential for achieving positive child health outcomes. Several partnership options have emerged and a city level Urban Health Forum is likely to be institutionalized soon.

The Private and Civil Society Sector:

- Private not-so-qualified providers and Dais (TBAs) serve a large section of slum dwellers, and efforts and innovative approaches are required to integrate them in the quality service provision mechanism.
- Charitable hospitals are potential channels for strengthening slum health services. They could be motivated to take up preventive health services in identified clusters.
- A good mix of community mobilization and health skills is available among NGOs and CBOs. Several CBOs and NGOs are engaged in BCC activities and are keen to target such activities for promotion of child health among slum dwellers.

Child Health in Slums:

- Community child health priorities reaffirm program priorities. (Additional priorities that emerged are birth spacing, early child bearing among women and alcoholism).
- Urban averages disguise health inequities existing among different slums and delving deeper into urban poor specific data or using qualitative information helps to assess the real plight of the under-served urban slum dweller.
- Fifty percent of urban slum deliveries occur at home, and only 20 percent by trained personnel. Enhancing competence of birth attendants is critical.

Awareness, Attitude, Traditions among Communities:

- Breastfeeding, safe delivery practices, timely immunization are more likely to show an early positive trend through behavior change efforts than appropriate nutrition, birth spacing and early pregnancy, owing to a positive attitude among communities toward these practices.

Approach:

- Consultations with stakeholders is an important and instructive approach for program development, and help the program team better understand the situation and help stakeholders evolve a plan more responsive to the presenting challenge.

- Scoping out partnering arrangements and support requirements of the various city stakeholders engages them in the program. Despite the slow beginning and difficulties associated, such a process appears to best facilitate the emergence of partnerships.

Dr. Siddharth Raj Agarwal has worked for the past sixteen years in different positions and voluntary activities in the field of community and child health. He is currently the Environmental Health Project's Country Representative and Urban Health Director for the USAID/India Urban Child Health Program, a multi-year effort to bring about sustainable improvement to child health in urban slums of India. Dr. Agarwal was part of USAID/India's Review Team that examined options for "Enhancing Child Survival Impact" of the current PL480 Title II program and has been Project Manager for the Maternal and Infant Survival project in Madhya Pradesh for CARE India. This project targeted ten blocks in seven districts of Madhya Pradesh aimed at improving maternal and infant health through partnerships and building local capacities.

POVERTY ALLEVIATION IN THE URBAN MILLENNIUM: THE CHALLENGE OF CITYWIDE SLUM UPGRADING

William Cobbett
Senior Upgrading Advisor
Cities Alliance

Seminar #8

Following the adoption of the Millennium Declaration in September 2000, the Millennium Development Goals have emerged as the most coherent global development consensus: a combination on their long term timeframes and international “conference fatigue” are likely to leave them undisturbed for the foreseeable future. The inclusion of a clear, urban target rectified a signal failure of the 1996 Habitat II Istanbul *City Summit*.

The focus of this presentation is provided by the challenge of implementing Target 11 of the Millennium Development Goals: “significant improvements in the lives of 100 million slum dwellers by 2020.” The magnitude of this task is put into some perspective with UN-HABITAT’s recent estimate that there are some 837 million slum dwellers worldwide.

However, there is a very distinct geography and timeline to the world’s slums – Latin America and the Caribbean is already substantially urbanized, whereas Africa and Asia are currently at the foothills of the largest demographic movement of people in history. More than 600 million Chinese will urbanize by 2050, by which time the country will be 70 percent urbanized.

The greatest challenge, however, lies in Africa, home to the 27 least developed countries in the world: on current trends, and without far-reaching changes to existing policies, urbanization will compound an already bleak situation. This puts the MDG target in some context – without a significant change in the policy response to slums and slum dwellers, there will be 1.5 billion slum dwellers in 2020.

This short summary tries to identify the contours of the policy shifts that will support the move to citywide and national upgrading programs. In general terms, the move to a citywide scale of action has two components: the first relates to the upgrading of existing settlements, a point that is understood by policy makers, even if not always acted upon.

The second aspect, however, has been largely ignored – the need to take urgent, proactive measures to prevent the creation of the next generation of slums. Such actions will focus largely around land identification and release, informed by an acceptance that urbanization is inevitable, and overcoming the irrational political fear that such planning will merely serve to invite more migrants from the ranks of the rural poor.

In the absence of such a forward-looking approach, cities in Asia and Africa face the danger of falling ever further behind in responding to developmental backlogs. This is not only bad policy, it is also bad economics for the city – it has been demonstrated repeatedly that it is significantly more expensive to upgrade after land has been settled, especially if the settlement has happened on the margins of legality and without assistance. The real danger is of cities entering a spiral of decline, undertaking neither planning nor upgrading.



Slums arise, in the main, more as a result of policy failure than of market failure. People move to urban areas because they correctly perceive their life chances to be better in towns and cities. They move to, and create, slums because they have no alternatives – no provision has been made for their arrival nor their settlement, nor for their inclusion into the social and economic mainstream of city life. Official attitudes to slums and slum dwellers, which range from the indifferent to the hostile, are arguably the single most significant obstacle to removing slums through development and growth.

In assessing the implications of citywide slum upgrading, this paper operates from three, related points of departure with respect to the provision of shelter in the developing world:

1. The national governments of most developing countries have neither the resources nor the ability to resolve this problem on their own. The least feasible policy approach is when national governments try to act as the direct provider of shelter;
2. The formal private sector is generally uninterested in this sector of the market, which it perceives as unprofitable with very high transaction costs; and
3. The vast majority of shelter is produced by the urban poor themselves.

While these points are straightforward and seemingly self-evident, they are rarely reflected in national housing policies and strategies, which generally respond to the fully and formally employed rather than slum dwellers.

Slums, themselves, should not be seen as the problem, but rather as the physical embodiment of ordinary citizen's energy and determination in the face of policy failure and absence of resources. Wholesale and far-reaching policy changes will be required amongst all agencies involved in urban development if the growth of slums is to be arrested and reversed.

National Government

The most telling contribution of national government to slum upgrading and city development generally can best be summarized as good governance, the hallmark of which would be the provision of a stable and consistent enabling policy environment. While the provision of intergovernmental fiscal transfers is vital, this should occur within a clear institutional framework that locates risk and responsibility within the same institution, or tier of government.

Generally, this is greatly assisted by the programmatic decentralization of authority and the necessary resources to the most effective level of government. National government needs to provide the overall policy and administrative framework, within which the rule of law is the default mechanism for the resolution of disputes.

Slums are unlikely to be the only, nor necessarily the most significant, developmental challenge facing government at all levels. The main burden of responsibility for management and innovation will fall to local government, which will require the authority, the flexibility and the resources. In many cases, local governments require the support – and the cajoling – of higher levels of government.

Whatever the specific constitutional dispensation, a long-term perspective is vital, putting the slum upgrading challenge within a realistic multi-decade framework.

City Government

While we are dealing with the very tangible challenge of slum upgrading, arguably the most decisive contribution that can be made by local government is attitudinal – the extension of an inclusive approach, reflected in the local definition and application of urban citizenship. As with national government, the most fundamental requirement of local government is the framework and the practice supporting good urban governance.

In most cities in the developing world, the urban poor constitute a significant and growing proportion of the urban population, rarely less than 20 percent, but often constituting 80 percent of the city. In such a scenario, a willingness to engage with organizations of the urban poor, as part of a wider engagement with civil society, becomes a basic necessity rather than a sign of a forward-looking local authority. This engagement should also include the local private sector, which is likely to be the more telling investment partner than national or international sources of finance.

When it comes to the specifics of slum upgrading, the local authorities that have made the most progress are those that have recognized it as part of their core business, and have thus reflected this in their budget. Core business implies recognizing that slum upgrading, and the provision of services to the very poorest, will be required year after year.

There is still a tendency amongst many local governments to look for off-balance sheet financing for slum upgrading, for which they may hope to find a willing international donor. In the absence of such project financing, slum upgrading grinds to a halt – this is the very antithesis of a citywide approach, and has little or no chance of achieving the promise of cities without slums. Many steps can be taken without major financial implications – such as the extension of secure tenure to the urban poor, and particularly to women, which can be achieved through a wide variety of mechanisms not immediately requiring sophisticated cadastral systems of administrative capacity.

The implications of a core business approach are significant, and start with the municipal budget. Basic assumptions informing both the generation of revenue and the allocation of expenditure will invariably need to be reassessed, as will the orientation of the administration. For many local governments, and higher level of government, wide ranging legal and regulatory reforms may need to be considered.

These are all long-term developmental issues that transcend the normal local election timeline, and require the support and cooperation of higher spheres of government.

International Development Agencies

International development assistance is still largely dominated by the development of agreements between the national government and the donor agency. While both parties are central players, both need to support the two halves of the developmental equation at a local level: effective and accountable local government and support organizations representing the urban poor.

In order to make demonstrable progress towards cities without slums, a case may be made to prioritize reform countries and cities - those that have already taken the political decision to tackle slums and urban poverty, and will do it with or without assistance.

Bilateral agencies also need to consider imposing less emphasis on projects, and consider a shift to long-term programmatic assistance, possibly by means of providing budgetary support to those cities and countries that treat urban upgrading as core business. Other useful reforms that bilateral and multilateral agencies might consider include avoiding the pitfalls of assistance being driven too strongly by their own budget-cycle.

Even more intractable a problem that needs to be addressed is the tying of aid to the use of consultants and services from the donor country, which not only raises the costs, but often involves the acceptance of inappropriate development models and theories, while undermining the recipient's flexibility to identify the skills and personnel that they need, and also weakens the development of local capacity. This is a reform that is long overdue, and one which flies in the face of so many mantras about the need for capacity building.

Summary

The chances of meeting, and even exceeding, the target of improving the lives of 100 million slumdwellers by the year 2020 will be dramatically improved by significant shifts in policy and attitude, at all levels of government. Amongst the most important are: the need to accept urbanisation as a positive reality; actively planning for the current and future land and services needs of the urban poor; and extending to the same urban poor a meaningful and inclusive urban citizenship.

William Cobbett is currently Senior Urban Upgrading Advisor with the Cities Alliance. Previously, he served at the United Nations Human Settlements Programme (UN-HABITAT). Born in South Africa, Mr. Cobbett was overall coordinator of Planact, an urban NGO, before joining African National Congress (ANC) headquarters, where he had responsibilities for housing and electrification policy, as well as for local and regional government. After the 1994 election, he was appointed Director-General of the national Department of Housing, and subsequently became Director of Housing for the City of Cape Town.

